

From August 24, 1999, to August 26, 1999, we verified information used in making this determination. The Department's verification report was made available to the domestic and respondent interested parties. In addition, a copy of this report is available in the Central Records Unit of the Import Administration, Room B-099, Herbert C. Hoover Building, 14th Street and Constitution Avenue, NW, Washington, DC 20230 (see Verification Report: Cotton Shop Towels from Peru, dated September 7, 1999).

Following the issuance of our verification report, we again received no comments from any interested party.

Final Results of Review

As a result of this review, we find that termination of the suspended countervailing duty investigation would not be likely to lead to continuation or recurrence of a countervailable subsidy for the reasons set forth in our *Preliminary Results* of review and confirmed in our verification report.

As a result of this determination by the Department that termination of the suspended countervailing duty investigation on cotton shop towels from Peru would not be likely to lead to continuation or recurrence of a countervailable subsidy, the Department, pursuant to section 751(d)(2) of the Act, is terminating this suspended investigation. Pursuant to 751(c)(6)(A)(iv) of the Act, this termination is effective January 1, 2000. The Department will complete any pending administrative reviews of this suspended investigation and will conduct administrative reviews of subject merchandise entered prior to the effective date of revocation in response to appropriately filed requests for review.

This notice serves as the only reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305 of the Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Dated: November 22, 1999.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-502]

Preliminary Results of Full Sunset Review: Welded Carbon Steel Pipes and Tubes From Turkey

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

ACTION: Notice of Preliminary Results of Full Sunset Review: Welded Carbon Steel Pipes and Tubes from Turkey.

SUMMARY: On May 1, 1999, the Department of Commerce ("the Department") initiated a sunset review of the countervailing duty order on welded carbon steel pipes and tubes from Turkey (63 FR 23596) pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On the basis of the notices of intent to participate and adequate substantive responses filed on behalf of the domestic and respondent interested parties, the Department is conducting a full (240 day) review. In conducting this sunset review, the Department preliminarily finds that termination of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. The net countervailable subsidy and the nature of the subsidy are identified in the "Preliminary Results of Review" section of this notice.

FOR FURTHER INFORMATION CONTACT: Kathryn B. McCormick or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW, Washington, D.C. 20230; telephone: (202) 482-1930 or (202) 482-1560, respectively.

EFFECTIVE DATE: November 30, 1999.

Statute and Regulations

This review is being conducted pursuant to sections 751(c) and 752 of the Act. The Department's procedures for the conduct of sunset reviews are set forth in *Procedures for Conducting Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) ("Sunset Regulations") and 19 C.F.R. Part 351 (1998) in general. Guidance on methodological or analytical issues relevant to the Department's conduct of sunset reviews is set forth in the Department's Policy Bulletin 98:3—*Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*; Policy Bulletin, 63 FR 18871

(April 16, 1998) ("*Sunset Policy Bulletin*").

Scope

This order covers shipments of Turkish welded carbon steel pipes and tubes, having an outside diameter of 0.375 inch or more, but not more than 16 inches, of any wall thickness. These products, commonly referred to in the industry as standard pipe and tube or structural tubing, are produced in accordance with various American Society Testing and Materials (ASTM) specifications, most notably A-53, A-120, A-500, or A-501. The subject merchandise was originally classifiable under item number 416.30 of the Tariff Schedules of the United States Annotated ("TSUSA"); currently, they are classifiable under item numbers 7306.30.10 and 7306.30.50 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Although the TSUSA and HTSUS item numbers are provided for convenience and customs purposes, the written description remains dispositive.

This review covers all producers and exporters of subject merchandise from Turkey.

History of the Order

The Department published its final affirmative countervailing duty determination on welded carbon steel pipes and tubes from Turkey in the **Federal Register** on January 10, 1986 (51 FR 1268) and issued the countervailing duty order on March 7, 1986 (51 FR 7984). The Department found the following programs to confer subsidies: (1) *Export Tax Rebate and Supplemental Tax Rebate*; (2) *Preferential Export Financing*; ¹ (3) *Deduction from Taxable Income for Export Revenues*; and (4) *Resource Utilization Support Fund ("RUSF")*. The country-wide countervailing duty rate was 18.81 percent, and after taking into account several program-wide changes, the Department established a duty deposit rate of 17.80 percent. The following companies were investigated in the original investigation: the Borusan group of companies, Mannesmann-Suenerbank Boru Endustris ("Mannesmann-Suenerbank"), Yucel Boru ve Profil

¹ Short-term export financing under Decree number 84/7557 was abolished by Decree number 84/8861, which became effective on January 1, 1985. The Department verified that all such loans were repaid prior to our preliminary determinations, and we took the elimination of this program into account by excluding it from the duty deposit rate (see *Final Affirmative Countervailing Duty Determinations; Certain Welded Carbon Steel Pipe and Tube Products from Turkey*, 51 FR 1268 (January 10, 1986)).

Endustrisi ("Yucel Boru"), Erkboru Profil Sanayi ve Ticaret, and Umran Spiral Welded Pipe, Inc.²

The Department has conducted the following administrative reviews since the issuance of the order:

Review Period of Review Final Results Citation

Review	Period of review	Final result citation
(1)	28 Oct 85–31 Dec 86	53 FR 9791 (March 25, 1988).
(2)	1 Jan 95–31 Dec 95	62 FR 43984 (August 18, 1997).
(3)	1 Jan 96–31 Dec 96	63 FR 18885 (April, 18, 1997).
(4)	1 Jan 97–31 Dec 97	64 FR 44496 (August 16, 1999).

During administrative reviews of this order, the Department investigated programs and companies in addition to those covered in the original investigation. In the first administrative review, covering the 1985/86 period, the *Export Revenue Tax Deduction and General Incentives Program* ("GIP") were found to confer subsidies. The *Export Tax Rebate*, with respect to the U.S. and RUSF programs, were found to have been terminated,³ and the Department determined a rate of 1.43 percent for Bant Boru Sanayi ve Ticaret A.S. ("Bant Boru") and a rate of 12.67 percent for all others (53 FR 9791, March 25, 1988). After taking into account the program terminations, the Department established a deposit rate of 7.26 percent for all others, and, based on a zero subsidy rate, waived duty deposit requirements for Bant Boru.

In the second administrative review, the Department found that the *Pre-Shipment Export Credit* program conferred a countervailable subsidy on producers/exporters of subject merchandise.⁴ Additionally, the following new programs were determined to confer subsidies: (1) *Investment Allowance* under the GIP; (2) *Foreign Exchange Loan Assistance*; (3) *Freight Program*; (4) *Resource Utilization Support Premium*;⁵ and (5) *Export Incentive Certificate Customs duty and Other Tax Exemptions. Deduction from Taxable Income for Export Revenues was found to have been terminated in the second administrative review.*⁶ The Department determined net subsidies of 4.06 percent

for Erciyas Boru Sanayii ve Ticaret A.S. ("Erbosan").⁷

In the third administrative review, the Department found that the new program, *Deduction from Taxable Income for Export Revenues*, conferred a countervailable subsidy of less than 0.005 percent for Borusan Birlesik Boru Fabrikalari A.S. ("BBBF") and Borusan Ihracat Ithalat ve Dagitim A.S. ("Borusan Dagitim") (BBBF and Borusan Dagitim are hereinafter referred to as the "Borusan Group").⁸ The following programs identified in previous reviews were found to confer subsidies: (1) *Investment Allowance*; (2) *Foreign Exchange Loan Assistance*; (3) *Incentive Premium on Domestically Obtained Goods*; and (4) *Pre-Shipment Export Credit* (63 FR 18885, April 16, 1998). The *Freight Program* was found to have been terminated in the preliminary results of the third review.⁹ The Department determined a net subsidy of 3.10 percent for the Borusan Group (63 FR 18885, April 16, 1998).

In the fourth administrative review, programs that were determined to confer subsidies include: (1) *Pre-Shipment Export Credit*; (2) the *Freight Program*; and (3) *Foreign Exchange Loan Assistance. Export Incentive Certificate Customs Duty & Other Tax Exemptions* was found to be terminated (64 FR 16924, April 7, 1999). The Department determined net subsidies of 0.84 percent for Yucel Boru and its affiliated companies, Cayirova Boru Sanayi ve Ticaret A.S., and Yucelboru Ihracat Ithalat ve Pazarlama A.S. (collectively "Yucel Boru Group").

Background

On May 3, 1999, the Department published a notice of initiation of a sunset review of the countervailing duty ("CVD") order on welded carbon steel pipes and tubes from Turkey (64 FR 23596), pursuant to section 751(c) of the Act. On May 18, 1999, the Department received, within the deadline specified in section 351.218(d)(1)(i) of the *Sunset Regulations*, a notice of intent to participate on behalf of domestic producers Allied Tube and Conduit Corp., Sawhill Tubular Division-Armco, Inc., Century Tube, IPSCO Tubular Inc., LTV Steel Tubular Products, Maverick Tube Corporation, Sharon Tube Company, Western Tube and Conduit, and Whetland Tube Co. (hereinafter, collectively "domestic interested parties") and the Government of the Republic of Turkey ("GRT") and the Borusan Group (collectively "respondent interested parties"). The domestic interested parties claimed interested party status under section 771(9)(C) of the Act, as domestic producers of subject merchandise. The GRT is an interested party pursuant to section 771(9)(B) of the Act as the government of a country in which subject merchandise is produced and exported; the Borusan Group is an interested party pursuant to section 771(9)(A) of the Act as a foreign producer and exporter of subject merchandise.

The domestic interested parties participated in the original investigation and subsequent administrative reviews of the subject order; the GRT and Borusan Group have been actively involved in this case since 1985, the

² Because Erkboru Profil Sanayi ve Ticaret, and Umran Spiral Welded Pipe Inc. did not export to the United States during 1984 and the first six months of 1985, their responses were not used in the final determination. *Id.*

³ See *Certain Welded Carbon Steel Pipe and Tube Products from Turkey: Preliminary Results of Countervailing Duty Administrative Review*, 52 FR 47621 (December 15, 1987).

⁴ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey: Final Results of Countervailing Duty Administrative Reviews*, 62 FR 43984 (August 18, 1997).

⁵ The Department determined the benefit from this program to be 0.05 percent. However, in the same review, the Department verified that the GRT terminated the RUSP program in 1991, and that GIP investment incentive certificates issued after 1991 were no longer eligible to receive RUSP payments. See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey: Preliminary Results of Countervailing Duty Administrative Reviews*, 62 FR 16782, 16787 (April 8, 1997).

⁶ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey: Final Results of Countervailing Duty Administrative Reviews*, 62 FR 43984, 43986 (August 18, 1997).

⁷ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey: Preliminary Results of Countervailing Duty Administrative Reviews*, 62 FR 16782, 16788 (April 8, 1997).

⁸ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey: Final Results of Countervailing Duty Administrative Reviews*, 63 FR 18885, 18887 (April 16, 1998).

⁹ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe From Turkey: Preliminary Results and Partial Recission of Countervailing Duty Administrative Reviews*, 62 FR 64808 (December 9, 1997).

year in which the countervailing duty petition on subject merchandise from Turkey was filed. The GRT participated in the original investigation and the four administrative reviews; the Borusan Group participated in the original investigation and all but the second administrative review.

We received adequate substantive responses from the domestic and respondent interested parties on June 2, 1999 and June 3, 1999, respectively, within the 30-day deadline specified in the *Sunset Regulations* under section 351.218(d)(3)(i). As a result, pursuant to 19 CFR 351.218(e)(2), the Department determined to conduct a full review.

In accordance with 751(c)(5)(C)(v) of the Act, the Department may treat a review as extraordinarily complicated if it is a review of a transition order (*i.e.*, an order in effect on January 1, 1995). Therefore, the Department determined that the sunset review of the countervailing duty order on carbon steel pipe and tube from Turkey is extraordinarily complicated, and extended the time limit for completion of the preliminary and final results of this review until not later than November 19, 1999 and March 28, 2000, respectively, in accordance with section 751(c)(5)(B) of the Act.¹⁰

Determination

In accordance with section 751(c)(1) of the Act, the Department is conducting this review to determine whether termination of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, the Department shall consider the net countervailable subsidy determined in the investigation and subsequent reviews, and whether any change in the program which gave rise to the net countervailable subsidy has occurred and is likely to affect that net countervailable subsidy. Pursuant to section 752(b)(3) of the Act, the Department shall provide to the International Trade Commission ("the Commission") the net countervailable subsidy likely to prevail if the order is revoked. In addition, consistent with section 752(a)(6), the Department shall provide to the Commission information concerning the nature of the subsidy and whether it is a subsidy described in Article 3 or Article 6.1 of the 1994 WTO Agreement on Subsidies and

Countervailing Measures ("Subsidies Agreement").

The Department's preliminary determinations concerning continuation or recurrence of a countervailable subsidy, the net countervailable subsidy likely to prevail if the order is revoked, and nature of the subsidy are discussed below. In addition, comments of the interested parties on each of these issues are addressed within the respective sections.

Continuation or Recurrence of a Countervailable Subsidy

Drawing on the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act ("URAA"), specifically the SAA, H.R. Doc. No. 103-316, vol. 1 (1994), the House Report, H.R. Rep. No. 103-826, pt.1 (1994), and the Senate Report, S. Rep. No. 103-412 (1994), the Department issued its *Sunset Policy Bulletin* providing guidance on methodological and analytical issues, including the basis for likelihood determinations. The Department clarified that determinations of likelihood will be made on an order-wide basis (see section III.A.2 of the *Sunset Policy Bulletin*). Additionally, the Department normally will determine that revocation of a countervailing duty order is likely to lead to continuation or recurrence of a countervailable subsidy where (a) a subsidy program continues, (b) a subsidy program has been only temporarily suspended, or (c) a subsidy program has been only partially terminated (see section III.A.3.a of the *Sunset Policy Bulletin*). Exceptions to this policy are provided where a company has a long record of not using a program (see section III.A.3.b of the *Sunset Policy Bulletin*).

Interested Party Comments

In their substantive response, the domestic interested parties assert that prior to the issuance of the 1985 order, there were over 30,000 tons of imports of subject merchandise from Turkish producers to the United States (see June 2, 1999, Substantive Response of the domestic interested parties at 3). However, according to the domestic interested parties, imports have since dropped dramatically: in 1998, imports amounted to only 7400 tons—a 75 percent drop from 1985 figures. *Id.* Moreover, the domestic interested parties note that, in subsequent administrative reviews, subsidization of the subject merchandise by the GRT for the benefit of Turkish producers continues. Thus, the domestic interested parties believe that the reduction of imports of the subject merchandise from

Turkey into the United States and the continuing existence of countervailable subsidy programs indicate that there is a strong likelihood of continuation of a countervailable subsidy should this order be revoked.

The respondent interested parties assert that the GRT has eliminated or severely limited the availability of the incentive programs that led to the initiation of the countervailing duty investigation on standard pipe in 1985 (see June 3, 1999, Substantive Response of respondent interested parties at 4). They note that three programs—Export Tax Rebate and Supplemental Tax Rebate, Deduction from Taxable Income for Export Revenue, and the Resource Utilization Support Fund—that were found to provide countervailable benefits to Turkish producers/exporters of pipe and tube in the original investigation were confirmed by the Department to be terminated or eliminated in the final results of the 1995 and 1996 reviews, and the preliminary results of the 1997 review. *Id.* at 6–7. According to the GRT, only three other programs currently confer subsidies: the Pre-Shipment Export Credit program, which provides short term pre-shipment export loans to exporters through intermediary commercial banks;¹¹ the Foreign Exchange Loan Assistance, which allows commercial banks to exempt certain fees on loans used in export-related activities;¹² and the Deduction from Taxable Income for Export Revenues,¹³ which allows companies to deduct 0.05 percent of their hard currency income derived from export activities from their corporate income taxes.¹⁴

Department's Determination

The Department verified the elimination of benefits provided by the Export Tax Rebate and Supplemental Tax Rebate and the RUSF; the duty

¹¹ In the 1996 review, the Department determined that the net countervailable subsidy received by the Borusan Group from the Pre-shipment Export Credit Program was 0.22 percent.

¹² The exempted fees include a Resource Utilization Stabilization Fund fee of 6 percent of the loan principal, a Banking Insurance Tax equal to 5 percent of the interest paid, and a stamp tax equal to 0.6 percent of the principal (62 FR 64810).

¹³ A program from the original investigation, Deduction from Taxable Income for Export Revenues was terminated in the second review (62 FR 43984, August 18, 1997). In the third review, however, the Department determined a new, similar program, also called Deduction from Taxable Income for Export Revenues (63 FR 18885, April 16, 1998).

¹⁴ In the 1996 review, the Department calculated a subsidy for this program of less than 0.005 percent for the Borusan Group (see June 3, 1999, Substantive Response of respondent interested parties at 14).

¹⁰ See *Welded Carbon Steel Pipes and Tubes from Turkey: Extension of Time Limit for Preliminary Results of Five-Year Review*, 64 FR 46885 (August 27, 1999).

deposit rate from the 1985/86 review reflects the elimination of benefits from these two programs on importers of subject merchandise. Specifically, we found that, effective January 1, 1987, pursuant to Communiqué 87/3 of Decree 86/11237, the GRT eliminated basic and supplemental export tax rebates on exports of iron and steel products to the United States (52 FR 47621, December 15, 1987). Also effective January 1, 1987, pursuant to Decree 86/11085, the GRT eliminated RUSF payments on exports. *Id.*

In the preliminary results of the 1995 period of review, the Department determined that the Resource Utilization Support Premium ("RUSP"), which distributed benefits on a regional basis under the umbrella of the GIP, conferred a net countervailable benefit of 0.05 percent on Erbosan. However, the GRT terminated the RUSP program in 1991, and GIP investment certificates issued after 1991 were no longer eligible to receive RUSP payments.¹⁵

As noted above, the Deduction from Taxable Income for Export Revenues was found terminated in the second administrative review. However, a similar program was subsequently found to confer subsidies of less than 0.005 percent for the Borusan Group for welded pipe and tube in the third review (63 FR 1888, April 18, 1992). In the fourth and most recent review, the program was found "not used" (64 FR 44496, August 16, 1999).

Finally, two programs investigated since the original investigation have been found to be terminated: the Freight Program was found terminated in the third review (62 FR 65808, 64811, December 9, 1997), and Export Incentive Certificate Customs Duty & Other Tax Exemptions was found terminated in the 1997 review when Communiqué No. 96/1, effective January 1, 1996, rescinded Communiqué No. 95/7, which provided export incentive certificates for the exclusion of taxes and duties, with no residual benefits.¹⁶

The Department finds that three of the programs that were investigated since the original investigation continue to confer subsidies on Turkish producers/exporters of pipe and tube. In the second review, although the Department found that the 30 percent minimum

investment allowance under GIP is not countervailable, the Investment Allowance program conferred benefits of 0.02 percent (62 FR 43984, August 18, 1997) on Erbosan. In the third review, the Department determined that the net countervailable subsidies received by the Borusan Group from Foreign Exchange Loan Assistance and Incentive Premium on Domestically Obtained Goods were 0.43 percent and 0.01 percent, respectively (63 FR 18885, April 16, 1998). In the fourth review, the Pre-shipment Export Credit program conferred on the Yucel Group a subsidy of 0.84 percent (64 FR 44496, August 16, 1999).

Of the four programs, Deduction from Taxable Income for Export Revenues, Pre-shipment Export Credit, Incentive Premium on Domestically Obtained Goods, and Foreign Exchange Loan Assistance that continue to exist, only Pre-shipment Export Credit was determined to provide a subsidy above *de minimis*—1.77 percent—in the second review. Since at least one of the existing countervailable programs continues to confer benefits above *de minimis*, the Department, consistent with section III.A.3.a of the *Sunset Policy Bulletin*, preliminarily determines that termination of the subject order would likely result in the continuation or recurrence of countervailable subsidies.

Net Countervailable Subsidy

In the *Sunset Policy Bulletin*, the Department stated that, consistent with the SAA and House Report, the Department normally will select a rate from the investigation as the net countervailable subsidy likely to prevail if the order is revoked, because that is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order or suspension agreement in place. The Department noted that this rate may not be the most appropriate rate if, for example, the rate was derived from subsidy programs which were found in subsequent reviews to be terminated, there has been a program-wide change, or the rate ignores a program found to be countervailable in a subsequent administrative review.¹⁷

Additionally, section III.B.2 of the *Sunset Policy Bulletin* states that the Department, where possible, calculates the individual countervailable subsidy rate in an investigation for each known exporter or producer of the subject merchandise. Although the original investigation resulted in a country-wide rate, the Department, in accordance

with section 777A(e)(1) of the Act, will provide to the Commission company-specific margins for those companies that were investigated in subsequent reviews.

Interested Party Comments

In their substantive response, the domestic interested parties assert that both the overall decrease in imports of the subject merchandise from Turkey into the United States and the continuing existence of countervailable subsidy programs will injure the domestic industry. Accordingly, the Department should find that the magnitude of the net countervailable subsidy that is likely to prevail is identical to the net countervailable subsidy determined in the original investigation.

The respondent interested parties assert that the Department should exclude the amount of subsidies found to be provided in prior reviews by the Freight Program, Incentive Premium on Domestically Obtained Goods, Investment Allowance and Export Incentive Certificates Customs Duty and Other Tax Exemptions programs because the benefits associated with these programs have been terminated (see June 2, 1999, Substantive Response of respondent interested parties, at 16). Furthermore, the rate likely to prevail should be based upon the rate from the most recently completed administrative review since that rate is most representative of the current level of benefits associated with a program. *Id.* Accordingly, the new margin should be 0.655 percent, the sum of the margins from three programs in the third review: 0.43 percent from Foreign Exchange Loan Assistance; less than 0.005 percent from the *Deduction from Taxable Income* for Export Revenues; and 0.22 percent from Pre-shipment Export Credits.

Department's Determination

In the *Sunset Policy Bulletin*, the Department states that, consistent with the SAA and House Report, the Department normally will select a rate from the investigation, because that is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order or suspension agreement in place (see section III.B.1 of the *Sunset Policy Bulletin*). However, the Department notes that the rate from the original investigation may not be the most appropriate rate if, for example, the rate was derived from subsidy programs which were found in subsequent reviews to be terminated, there has been a program-wide change,

¹⁵ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Final Results of Countervailing Duty Administrative Reviews*, 62 FR 43984 (August 18, 1997).

¹⁶ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Preliminary Results of Countervailing Duty Administrative Reviews*, 64 FR 16924, 16928 (April 7, 1999).

¹⁷ See section III.B.3 of the *Sunset Policy Bulletin*.

or the rate ignores a program found to be countervailable in a subsequent administrative reviews (see section III.B.3 of the *Sunset Policy Bulletin*).

The Department disagrees with the domestic interested parties' argument that the rate likely to prevail should be the 17.80 percent margin from the original investigation, because, as noted above, many of the benefits of countervailable subsidy programs have been eliminated. Thus, the Department determines that, as argued by the GRT, benefits from three programs from the original investigation—Export Tax Rebate and Supplemental Tax Rebate, Deduction from Taxable Income for Export Revenues and the RUSF—have been terminated. Of the programs investigated since the original investigation, benefits from the Freight Program and Export Incentive Certificate Customs Duty & Other Tax Exemptions were terminated.¹⁸ Additionally, in the 1995 review, the Department found that the *RUSP* was terminated. Accordingly, the Department will adjust the new company-specific rates to reflect the elimination of the above programs.

Of the programs investigated since the original investigation, the Department determined that Deduction from Taxable Income for Export Revenues conferred on the Borusan Group a subsidy of less than 0.005 percent in the 1996 review. Additionally, the benefits from the Incentive Premium on Domestically Obtained Goods are "recurring," because once a company has received an investment incentive certificate, it becomes eligible for the Incentive Premium benefits automatically and on a yearly basis (62 FR 64808, December 9, 1997). Accordingly, the Department will adjust the margin to include their respective subsidies of less than 0.005 percent and 0.01 percent for the Borusan Group.

The Department agrees with the respondent interested parties that two additional programs investigated since the original investigation, Foreign Exchange Loan Assistance and *Pre-Shipment Export Credit*, continue to confer benefits on Turkish producers/exporters of subject merchandise. Thus, we will include their respective subsidies in the company-specific margins.

Considering the termination of the Export and Supplemental Tax Rebate and RUSF programs in the first review, and the subsequent waiver of the duty deposit for Bant Boru, the Department will report to the Commission a margin of 0.00 percent for Bant Boru.

The Department will report a rate of 2.89 percent for Erbosan, the sum of 1.77 percent from the Pre-Shipment Export Credit Program; 0.02 percent from Investment Allowance under GIP; and 1.10 percent from the Foreign Exchange Loan Assistance, from the second review.

For the Borusan Group, the Department will report to the Commission a rate of 0.68 percent, which includes, from the third review: 0.22 percent from the Pre-Shipment Export Credit; 0.02 percent from Investment Allowance under GIP; 0.43 percent from Foreign Exchange Loan Assistance; 0.01 percent from the Incentive Premium on Domestically Obtained Goods; and less than 0.005 percent from Deduction from Taxable Income for Export Revenues.

For the Yucel Boru Group, the Department will report to the Commission a rate of 0.84 percent from Pre-Shipment Export Credit in the fourth review. Finally, the Department will report to the Commission a rate of 2.90 percent for all others. This rate includes 1.77 percent from Pre-Shipment Export Credit; 0.02 percent from Investment Allowance under GIP; 1.10 percent from Foreign Exchange Loan Assistance, 0.01 from Incentive Premium on Domestically Obtained Goods, and less than 0.005 percent from Deduction from Taxable Income for Export Revenues.

Nature of the Subsidy

In the *Sunset Policy Bulletin*, the Department states that, consistent with section 752(a)(6) of the Act, the Department will provide to the Commission information concerning the nature of the subsidy, and whether the subsidy is a subsidy described in Article 3 or Article 6.1 of the Subsidies Agreement. The domestic and respondent interested parties did not address this issue in their substantive responses.

Deduction from Taxable Income for Export Revenues and Pre-Shipment Export Credit fall within the definition of an export subsidy under Article 3.1(a) of the Subsidies Agreement because the receipt of benefit is contingent on export performance. The remaining programs, although not falling within the definition of an export subsidy under Article 3.1(a) of the Subsidies Agreement, could be found to be inconsistent with Article 6 if the net

countervailable subsidy exceeds five percent, as measured in accordance with Annex IV of the Subsidies Agreement. However, the Department has no information with which to make such a calculation, nor do we believe it appropriate to attempt such a calculation in the course of a sunset review. Rather, we are providing the Commission with the following program descriptions.

Foreign Exchange Loan Assistance. The GRT Resolution Number: 94/5782, Article 4, effective June 13, 1994, concerns the encouragement of exportation, allowing commercial banks to exempt certain fees provided that the loans are used in the financing of exportation and other foreign exchange earning activities. The exempted fees include a Resource Utilization Stabilization Fund fee of 6 percent of the loan principle, a Banking Insurance Tax equal to 5 percent of the interested and a stamp tax equal to 0.6 percent of the principal.¹⁹

Incentive Premium on Domestically Obtained Goods. Companies holding investment incentive certificates under the GIP are eligible for a rebate of 15 percent VAT paid on locally-sourced machinery and equipment. Imported machinery and equipment are subject to the VAT and are not eligible for the rebate. These VAT rebates are countervailable subsidies within the meaning of section 777(5)(D)(ii) of the Act because the rebates constituted revenue foregone by the GRT, and they provide a benefit in the amount of the VAT savings to the company. Also, they are specific under section 771(5A)(C) because their receipt is contingent upon the use of domestic goods rather than imported goods (62 FR 64808, December 9, 1997).

Preliminary Results of Review

As a result of this review, the Department preliminarily finds that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy at the rates listed below:

Producer/exporter	Margin (percent)
Bant Boru	0.00
Erbosan	2.89
Borusan Group	0.68
Yucel Boru Group	0.84
All Others	2.90

¹⁹ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Final Results of Countervailing Duty Administrative Reviews*, 62 FR 64808 (December 9, 1997).

¹⁸ See *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Preliminary Results of Countervailing Duty Administrative Reviews*, 64 FR 64808, 64811 (December 9, 1997) and *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Preliminary Results of Countervailing Duty Administrative Reviews*, 64 FR 44496 (August 16, 1999).

Any interested party may request a hearing within 30 days of publication of this notice in accordance with 19 CFR 351.310(c). Any hearing, if requested, will be held on January 17, 2000, in accordance with 19 CFR 351.310(d). Interested parties may submit case briefs no later than January 10, 2000, in accordance with 19 CFR 351.309(c)(1)(i). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than January 13, 2000. The Department will issue a notice of final results of this sunset review, which will include the results of its analysis of issues raised in any such comments, no later than March 28, 2000, in accordance with section 751(c)(5)(B) of the Act.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: November 19, 1999.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99-30967 Filed 11-29-99; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

ACTION: Notice of issuance of an Export Trade Certificate of Review, Application No. 99-00003.

SUMMARY: The Department of Commerce has issued an Export Trade Certificate of Review to JV Export Trading Company, Inc ("JV Export Trading Co."). This notice summarizes the conduct for which certification has been granted.

FOR FURTHER INFORMATION CONTACT: Morton Schnabel, Director, Office of Export Trading Company Affairs, International Trade Administration, 202-482-5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. 4001-21) ("the Act") authorizes the Secretary of Commerce with the concurrence of the Attorney General, to issue Export Trade Certificates of Review. The regulations implementing Title III are found at 15 CFR Part 325 (1999).

The Office of Export Trading Company Affairs ("OETCA") is issuing this notice pursuant to 15 CFR 325.6(b), which requires the Secretary of Commerce to publish a summary of a Certificate in the **Federal Register**. Under section 305(a) of the Act and 15 CFR 325.11(a), any person aggrieved by

the Secretary's determination may, within 30 days of the date of this notice, bring an action in any appropriate district court of the United States to set aside the determination on the ground that the determination is erroneous.

Description of Certified Conduct

Export Trade

1. Products

All products.

2. Services

All services.

Export Markets

The Export Markets include all parts of Latin America, but not the United States (the fifty states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands).

Export Trade Activities and Methods of Operation

JV Export Trading Co. may engage in the following activities with respect to the Export Markets:

1. Enter into exclusive export distribution agreements with U.S. manufacturers for export to the Export Markets.

2. Enter into agreements, exclusive or otherwise, with U.S. manufacturers regarding the prices for which their respective Products will be sold in the Export Market.

3. Enter into agreements with other exporters regarding Products, prices, and territories in the Export Markets.

Terms and Conditions of Certificate

1. In engaging in Export Trade Activities and Methods of Operation, JV Export Trading Co. will not intentionally disclose, directly or indirectly, to any Supplier any information about any other Supplier's costs, production, capacity, inventories, domestic prices, domestic sales, or U.S. business plans, strategies, or methods that is not generally available to the trade or public.

2. JV Export Trading Co. will comply with requests made by the Secretary of Commerce, on behalf of the Secretary or the Attorney General, for information or documents relevant to conduct under the Certificate. The Secretary of Commerce will request such information or documents when either the Secretary of Commerce or the Attorney General believes that the information or documents are required to determine that the Export Trade,

Export Trade Activities and Methods of Operation of a person protected by this Certificate of Review continue to comply with the standards of Section 303(a) of the Act.

Definition

1. "Supplier" means a person who produces, provides, or sells a Product and/or Service.

Protection Provided by Certificate

This Certificate protects JV Export Trading Co. and its officers, directors, and employees acting on its behalf from private treble damage actions and government criminal and civil suits under U.S. federal and state antitrust laws for the export conduct specified in this Certificate and carried out during its effective period in compliance with its terms and conditions.

A copy of this certificate will be kept in the International Trade Administration's Freedom of Information Records Inspection Facility Room 4102, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

Dated: November 23, 1999.

Morton Schnabel,

Director, Office of Export Trading Company Affairs.

[FR Doc. 99-31058 Filed 11-29-99; 8:45 am]

BILLING CODE 3510-DR-P

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

[Docket No. 99102-0281-9281-01]

RIN 0693-XX48

National Voluntary Conformity Assessment System Evaluation (NVCASE) Program

AGENCY: National Institute of Standards and Technology, Commerce.

ACTION: Notice.

SUMMARY: The National Institute of Standards and Technology (NIST) hereby announces the establishment of a sub-program under the National Voluntary Conformity Assessment System Evaluation (NVCASE) program to recognize accreditors that accredit laboratories that test telecommunications equipment and/or perform electromagnetic compatibility testing. The sub-program is being established pursuant to NVCASE regulations in response to a request from a Federal Agency, the Federal Communications Commission. Accreditation bodies recognized by