exporter or producer who exported the subject merchandise to the United States during the period of investigation, including those not individually examined during the investigation; certification that their export activities are not controlled by the central government; documentation establishing: (i) The date on which their TRBs were first entered, or withdrawn from warehouse, for consumption, or if the exporter or producer could not establish the date of first entry, the date on which they first shipped the subject merchandise for export to the United States; (ii) the volume of that and subsequent shipments; and (iii) the date of the first sale to an unaffiliated customer in the United States. Therefore, in accordance with section 751(a)(2)(B)(ii) of the Act and 19 CFR 351.214(d)(1), we are initiating a new shipper review of the antidumping duty order on TRBs from the PRC. We intend to issue the final results of this review not later than 270 days after the day on which this new shipper review is initiated.

We will instruct the Customs Service to allow, at the option of the importer, the posting, until the completion of the review, of a bond or security in lieu of a cash deposit for each entry of the merchandise exported by the above listed companies, in accordance with 19 CFR 351.214(e). Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305 and 351.306.

This initiation and notice are in accordance with section 751(a) of the Act (19 U.S.C. 1675(a)) and 19 CFR 351.214 and 351.221(c)(1)(i).

Dated: February 12, 1999.

Richard W. Moreland,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 99–4195 Filed 2–18–99; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–351–829]

Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination: Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products From Brazil

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

EFFECTIVE DATE: February 19, 1999.

FOR FURTHER INFORMATION CONTACT: Kathleen Lockard or Javier Barrientos, Office of CVD/AD Enforcement VI, Import Administration, U.S. Department of Commerce, Room 4012, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–2786.

Preliminary Determination

The Department of Commerce (the Department) preliminarily determines that countervailable subsidies are being provided to Companhia Siderugica Nacional (CSN), Usinas Siderugicas de Minas Gerais (USIMINAS) and Companhia Siderurgica Paulista (COSIPA) producers and exporters of certain hot-rolled flat-rolled carbon-quality steel products from Brazil. For information on the estimated countervailing duty rates, please see the ''Suspension of Liquidation'' section of this notice.

Petitioners

The petition in this investigation was filed by Bethlehem Steel Corporation, U.S. Steel Group, a unit of USX Corporation, Ispat Inland Steel, LTV Steel Company, Inc., National Steel Corporation, California Steel Industries, Gallatin Steel Company, Geneva Steel, Gulf States Steel Inc., IPSCO Steel Inc., Steel Dynamics, Weirton Steel Corporation, Independent Steelworkers Union, and United Steelworkers of America (the petitioners).

Case History

Since the publication of the notice of initiation in the **Federal Register**, the following events have occurred. *See Notice of Initiation of Countervailing Duty Investigation: Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil,* 63 FR 56623 (October 22, 1998) (*Initiation Notice*). On October 19, 1998 we issued countervailing duty questionnaires to the Government of Brazil (GOB) and the producers/exporters of the subject merchandise. We issued supplemental countervailing duty questionnaires on November 10 and December 17, 1998, and January 26, 1999. We received responses to these questionnaires on December 7, 1998, January 6, 1999, January 12, 1999, and February 8, 1999.

On November 12, 1998, Petitioners alleged an additional subsidy that was not included in the petition. On December 8, 1998 we initiated on this program. See ''Memorandum to Holly Kuga, Acting Deputy Assistant Secretary for AD/CVD Enforcement II, Regarding Petitioners' Allegations,'' a public document on file in the Central Records Unit, Room B–099 of the Main Commerce Building (CRU).

On December 1, 1998, we deemed this investigation extraordinarily complicated and postponed the preliminary determination to no later than January 25, 1998. *See Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil: Postponement of Time Limit for Countervailing Duty Investigation,* 63 FR 67459 (December 7, 1998). On January 22, 1999, we determined that additional time was necessary to make the preliminary determination and further postponed the preliminary determination to no later than February 12, 1999. *See Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil: Postponement of Time Limit for Countervailing Duty Investigation,* 64 FR 4638 (January 29, 1999).

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act effective January 1, 1995 (the Act). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations as codified at 19 CFR 351 and published in the **Federal Register** on May 19, 1997 (62 FR 27295).

Scope of Investigation

For purposes of this investigation, the products covered are certain hot-rolled flat-rolled carbon-quality steel products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers) regardless of thickness, and in straight lengths, of a thickness less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (i.e., flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm and of a thickness of not less than 4 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of these investigations.

Specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (''IF'')) steels, high strength low alloy (''HSLA'') steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements.

HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of this investigation, regardless of HTSUS definitions, are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

1.80 percent of manganese, or
1.50 percent of silicon, or
1.00 percent of copper, or
0.50 percent of aluminum, or
1.25 percent of chromium, or
0.30 percent of cobalt, or
0.40 percent of lead, or
1.25 percent of nickel, or
0.30 percent of tungsten, or
0.012 percent of boron, or
0.10 percent of molybdenum, or
0.10 percent of niobium, or
0.41 percent of titanium, or
0.15 percent of vanadium, or
0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of this investigation unless otherwise excluded. The following products, by way of example, are outside and/or specifically excluded from the scope of this investigation:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including e.g., ASTM specifications A543, A387, A514, A517, and A506).
- SAE/AISI grades of series 2300 and higher.
- Ball bearing steels, as defined in the HTSUS.
- Tool steels, as defined in the HTSUS.
- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 1.50 percent.
- ASTM specifications A710 and A736.
- USS Abrasion-resistant steels (USS AR 400, USS AR 500).
- Hot-rolled steel coil which meets the following chemical, physical and mechanical specifications:

C percent	Mn percent	P percent	S percent	Si percent	Cr percent	Cu percent	Ni percent
0.10–0.14	0.90*	0.025*	0.005*	0.30–0.50	0.50–0.70	0.20–0.40	0.20*

*Max
Width = 44.80 inches maximum; Thickness = 0.063–0.198 inches;
Yield Strength = 50,000 ksi minimum; Tensile Strength = 70,000–88,000 psi.

- Hot-rolled steel coil which meets the following chemical, physical and mechanical specifications:

C percent	Mn percent	P percent	S percent	Si percent	Cr percent	Cu percent	Ni percent
0.10–0.16 Mo 0.21*	0.70–0.90*	0.025*	0.006*	0.30–0.50*	0.50–0.70*	0.25*	0.20

*Max
Width = 44.80 inches maximum; Thickness = 0.350 inches maximum;
Yield Strength = 80,000 ksi minimum; Tensile Strength = 105,000 psi Aim.

- Hot-rolled steel coil which meets the following chemical, physical and mechanical specifications:

C percent	Mn percent	P percent	S percent	Si percent	Cr percent	Cu percent	Ni percent
0.10–0.14 V(wt.) 0.10*	1.30–1.80 Cb 0.08*	0.025*	0.005*	0.30–0.50	0.50–0.70	0.20–0.40	0.20*

*Max
Width = 44.80 inches maximum; Thickness = 0.350 inches maximum;
Yield Strength = 80,000 ksi minimum; Tensile Strength = 105,000 psi Aim.

- Hot-rolled steel coil which meets the following chemical, physical and mechanical specifications:

C percent	Mn percent	P percent	S percent	Si percent	Cr percent	Cu percent	Ni percent
0.15* Nb	1.40* Ca	0.025* Al	0.010*	0.50*	1.00*	0.50*	0.20*

C percent	Mn percent	P percent	S percent	Si percent	Cr percent	Cu percent	Ni percent
0.005 Min	Treated	0.01–0.07					

*Max
Width = 39.37 inches; Thickness = 0.181 inches maximum;
Yield Strength = 70,000 psi minimum for thicknesses ≤ 0.148 inches and 65,000 psi minimum for thicknesses > 0.148 inches; Tensile Strength = 80,000 psi minimum.

• Hot-rolled dual phase steel, phase-hardened, primarily with a ferritic-martensitic microstructure, contains 0.9 percent up to and including 1.5 percent silicon by weight, further characterized by either (i) tensile strength between 540 N/mm² and 640 N/mm² and an elongation percentage ≥ 26 percent for thicknesses of 2 mm and above, or (ii) a tensile strength between 590 N/mm² and 690 N/mm² and an elongation percentage ≥ 25 percent for thicknesses of 2mm and above.

• Hot-rolled bearing quality steel, SAE grade 1050, in coils, with an inclusion rating of 1.0 maximum per ASTM E 45, Method A, with excellent surface quality and chemistry restrictions as follows: 0.012 percent maximum phosphorus, 0.015 percent maximum sulfur, and 0.20 percent maximum residuals including 0.15 percent maximum chromium.

The merchandise subject to these investigations is classified in the Harmonized Tariff Schedule of the United States (''HTSUS'') at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, 7211.19.75.90, 7212.40.10.00, 7212.40.50.00, 7212.50.00.00. Certain hot-rolled flat-rolled carbon-quality steel covered by this investigation, including: vacuum degassed, fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.00.00. Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the merchandise under investigation is dispositive.

Injury Test

Because Brazil is a ''Subsidies Agreement country'' within the meaning of section 701(b) of the Act, the International Trade Commission (ITC) is required to determine whether imports of the subject merchandise from Brazil materially injure, or threaten material injury to, a U.S. industry. On November 25, 1998, the ITC published its preliminary determination that there is a reasonable indication that an industry in the United States is being materially injured, or threatened with material injury, by reason of imports from Brazil of the subject merchandise (63 FR 65221).

Alignment With Final Antidumping Duty Determination

On January 19, 1999, the petitioners submitted a letter requesting alignment of the final determination in this investigation with the final determination in the companion antidumping duty investigations. *See Initiation of Antidumping Duty Investigations: Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil, Japan and the Russian Federation*, 63 FR 56607 (October 22, 1998). In accordance with section 705(a)(1) of the Act, we are aligning the final determination in this investigation with the final antidumping duty determinations in the antidumping investigations of certain hot-rolled flat-rolled carbon-quality steel products.

Period of Investigation

The period for which we are measuring subsidies (the POI) is calendar year 1997.

Facts Available

Section 776(a)(1) of the Act requires the Department to use the facts available if ''necessary information is not available on the record.'' The Department asked the GOB and the respondent companies twice to provide information about the market value of privatization currencies, but so far they have been unable to do so. This information is necessary to our analysis of the privatizations of the respondent companies. Because this information is not available on the record, we have resorted to the facts available as detailed in the ''Change in Ownership'' section below.

Company Histories

USIMINAS was founded in 1956 as a venture between the Brazilian Government, various stockholders and Nippon Usiminas. In 1974, the majority interest in USIMINAS was transferred to SIDERBRAS, the government holding company for steel interests. The company underwent several expansions of capacity throughout the 1980s. In 1990, SIDERBRAS was put into liquidation and the GOB decided to include its operating companies, including USIMINAS, in its National Privatization Program (NPP). In 1991, USIMINAS was partially privatized; as a result of the initial auction, Companhia do Vale do Rio Doce (CVRD), a majority government-owned iron ore producer, acquired 15 percent of USIMINAS's common shares. In 1994, the Government disposed of additional holdings, amounting to 16.2 percent of the company's equity. USIMINAS is now owned by CVRD and a consortium of private investors, including Nippon Usiminas, Caixa de Previdencia dos Funcionarios do Banco do Brasil (Previ) and the USIMINAS Employee Investment Club. CVRD was partially privatized in 1997.

COSIPA was established in 1953 as a government-owned steel production company. In 1974, COSIPA was transferred to SIDERBRAS. In the 1980s, the company underwent restructurings of its capacity. Like USIMINAS, COSIPA was included in the NPP after SIDERBRAS was put into liquidation. In 1993, COSIPA was partially privatized, with the GOB retaining a minority of the preferred shares. Control of the company was acquired by a consortium of investors led by USIMINAS. In 1994, additional government-held shares were sold, but the GOB still maintained approximately 25 percent of COSIPA's preferred shares. During the POI, USIMINAS owned 49.8 percent of the voting capital stock of the company.

Other principal owners include Bozano Simonsen Asset Management Ltd., the COSIPA Employee Investment Club and COSIPA's Pension Fund (FEMCO).

CSN was established in 1941 and commenced operations in 1946 as a government-owned steel company. In 1974, CSN was transferred to SIDERBRAS; only a very small amount of shares, a fraction of a percent, were held by private investors. The company underwent several capacity restructurings throughout the 1980s. In 1990, SIDERBRAS was put into liquidation and the GOB decided to include its operating companies, including CSN, in its NPP. In 1991, 12 percent of the equity of the company was transferred to the CSN employee's pension fund. In 1993, CSN was partially privatized; CVRD, through its subsidiary Vale do Rio Doce Navegacao S.A. (Docenave), acquired 9.4 percent of the common shares. The GOB's remaining share of the firm was sold in 1994. CSN is now owned by Docenave/CVRD and a consortium of private investors, including Uniao Comercio e Partipacoes Ltda., Textilia S.A., Previ, the CSN Employee Investment Club, and the CSN employee pension fund. As discussed above, CVRD was partially privatized in 1997; CSN was part of the consortium that acquired control of CVRD through this partial privatization.

Affiliated Parties

In the present investigation, there are affiliated parties (within the meaning of section 771(33) of the Act) whose relationship is sufficient to warrant treatment as a single company. In the countervailing duty questionnaire, consistent with our past practice, the Department defined companies as sufficiently affiliated to warrant potential treatment as a single company where one company owns 20 percent or more of the other company, or where companies prepare consolidated financial statements. The Department also has stated that companies may be considered sufficiently affiliated where there are common directors or one company performs services for the other company. *See Final Affirmative Countervailing Duty Determination: Certain Pasta (''Pasta'') From Italy,* 61 FR 30287 (June 14, 1996) (*Pasta*). According to the questionnaire, companies that are sufficiently affiliated to warrant potential treatment as a single company and either (1) produce the subject merchandise or (2) have engaged in certain financial transactions are required to respond. This standard is designed to identify instances where two companies interests have merged and either both produce subject merchandise or there is ''evidence of the transmittal of subsidies between the companies.'' *See Pasta,* 61 FR at 30308.

USIMINAS owns 49.79 percent of COSIPA, as such, the companies are affiliated within the meaning of section 771(33)(E) of the Act. Moreover, given the level of ownership and the fact that both companies produce the subject merchandise, we preliminarily determine that it is appropriate to treat these two producers as a single company for purposes of this investigation. We calculated a single countervailing duty rate for these companies by dividing their combined subsidy benefits by their combined sales.

We also examined the relationship between USIMINAS and CSN in order to determine whether these two companies were affiliated and, if so, whether the level of affiliation between the two companies was sufficient to warrant treatment as a single company.

Two entities, CVRD and Previ, the pension fund of the Bank of Brasil, have meaningful holdings in both USIMINAS and CSN. CVRD holds 15.48 percent of USIMINAS and 10.3 percent of CSN (through Docenave) and holds two of the eight seats on each company's board of directors. Previ holds 15 percent of the common shares of USIMINAS and one seat on its board of directors and 13 percent of CSN and two seats on its board of directors. The record does not support a conclusion that either CVRD's ownership interests or Previ's ownership interests, standing alone, constitute common control of USIMINAS and CSN within the meaning of section 771(33)(F). Therefore, we do not consider that the evidence supports a finding that USIMINAS and CSN are affiliated through common control. In addition, as discussed below, the record at this time does not contain evidence to establish that the interests between CVRD and Previ have merged or that the two companies operate together when acting as owners of the respondent companies in order to warrant aggregating their interests when analyzing potential affiliation between USIMINAS and CSN.

CVRD, through its nearly wholly-owned subsidiary, Docenave, is a member of the CSN Shareholders Agreement, as is Previ. In this Agreement, which includes the major shareholders that participated in the first privatization auction, the members agreed to pre-vote CSN board issues and then vote the entire block of shares subject to the Agreement in order to control the company. The CSN Shareholders Agreement also confers certain additional rights on the members and resulted in Docenave's right to one more seat on CSN's board of directors than its percentage ownership of common shares would otherwise entitle. We note that CSN is also a principal member of the group of investors that gained control of CVRD in its 1997 partial privatization, and the two companies have the same Chairman.

With respect to USIMINAS, CVRD and Previ do not have the same position. Neither CVRD nor Previ is a party to the USIMINAS Shareholders Agreement. We note that there is one additional overlap between USIMINAS and CVRD; each company also holds 50 percent of VUP S.A., a holding company that controls a ferro-alloys producer.

The record does not indicate at this time that USIMINAs and CSN are under the common control of Previ and CVRD. Therefore, for purposes of this preliminary determination, we determine that the relationship between USIMINAS and CSN is not sufficient to justify a finding of affiliation and, as a result, also not sufficient to warrant treating the two companies as a single company. However, these relationships warrant further analysis and we will continue to examine the affiliation issue for the final determination.

Changes in Ownership

In the *General Issues Appendix (GIA), attached to the Final Affirmative Countervailing Duty Determination; Certain Steel Products from Austria,* 58 FR 37217, 37226 (July 9, 1993), we applied a new methodology with respect to the treatment of subsidies received prior to the sale of the company (privatization).

Under this methodology, we estimate the portion of the company's purchase price which is attributable to prior subsidies. We compute this by first dividing the face value of the company's subsidies by the company's net worth for each of the years corresponding to the company's allocation period, ending one year prior to the privatization. We then take the simple average of these ratios, which serves as a reasonable surrogate for the percentage that subsidies constitute of the overall value, *i.e.,* net worth, of the company. Next, we multiply the purchase price of the company by this average ratio to derive the portion of the purchase price that we estimate to be a repayment of prior subsidies. Then, we reduce the benefit streams of the prior subsidies by the ratio of the repayment amount to the net present value of all remaining benefits at the time of the change in ownership.

In the current investigation, we are analyzing the privatizations of USIMINAS, COSIPA and CSN, including the various partial privatizations. In conducting these analyses, to the extent that partially government-owned companies purchased shares, we have not considered the percentage acquired corresponding to government-ownership to warrant any adjustment under our methodology. Further, we have preliminarily determined that it is appropriate to make an additional adjustment to USIMINAS and CSN's calculations to account for CVRD's 1997 partial privatization.

There are several facts in this case that warrant additional examination in the context of our privatization methodology. Because the purchase price of the company is a critical factor in our privatization methodology, the use of ''privatization currencies,'' i.e., certain existing government bonds, debt instruments, privatization certificates and frozen currencies, as payment for the shares of the companies, could have a significant impact on our analysis. Privatization currencies were used to acquire the vast majority of shares of producers of subject merchandise. The GOB accepted most of these currencies their face value; foreign debt and restructuring bonds (MYDFA's) were accepted at 75 percent of their face value. Petitioners have provided some indication that the market value of these currencies was not their face value; according to a press report, the market price for MYDFA's was about 30 percent of the face value. *See* Petitioner's October 22, 1998, submission, a public document on file in the CRU. We have made an adjustment to the purchase prices in order to take into account this information about the market value of the MYDFA's. However, to date, respondents have been unable to provide information on how the other privatization currencies were valued in secondary markets. Information we were able to gather from public sources, including the public record that was compiled in reaching the final determination in the countervailing duty investigation of certain steel products from Brazil, support petitioner's allegation that the privatization currencies were accepted by the GOB in the NPP for more than their market values. *See* Attachments to Calculation Memo dated February 12, 1999, public version on file in the CRU and *Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Brazil,* 68 FR 37295, (July 9, 1993) (*Certain Steel from Brazil*). Thus, some adjustment to the purchase price is warranted. Because we were not able to gather information on market values for each type of privatization currency in time for the preliminary determination, as facts available we have reduced the amount of the privatization currencies (with the exception of MYDFAs, which are discussed above), by a ratio reflecting the percentage difference between the value assigned to the MYDFAs and accepted by the GOB and the actual market value of the MYDFAs. We will continue to request information from the GOB and companies, about the market value of the privatization currencies, and plan to examine this issue in detail at verification.

Subsidies Valuation Information

Allocation Period

In the past, the Department has relied upon information from the U.S. Internal Revenue Service on the industry-specific AUL in determining the allocation period for non-recurring subsidies. *See GIA,* 58 FR at 37227. However, in *British Steel plc* v. *United States,* 879 F. Supp. 1254 (CIT 1995) (*British Steel I*), the U.S. Court of International Trade (the Court) ruled against this allocation methodology. In accordance with the Court's remand order, the Department calculated a company-specific allocation period for non-recurring subsidies based on the AUL of non-renewable physical assets. This remand determination was affirmed by the Court on June 4, 1996. *See British Steel plc* v. *United States,* 929 F. Supp. 426, 439 (CIT 1996) (British Steel II). Thus, we intend to determine the allocation period for non-recurring subsidies using company-specific AUL data where reasonable and practicable. *See, e.g., Certain Cut-to-Length Carbon Steel Plate from Sweden; Final Results of Countervailing Duty Administrative Review,* 62 FR 16551 (April 7, 1997) (*Steel Plate from Sweden*).

In recent countervailing duty investigations, it has been our practice to follow the Court's decision in *British Steel II,* and to calculate a company-specific allocation period for all countervailable non-recurring subsidies where reasonable and practicable. In this investigation the Department, in accordance with *British Steel II,* requested that the respondents submit information relating to its average useful life of assets. However, our analysis of the data submitted by COSIPA, CSN, and USIMINAS regarding the AUL of their assets has revealed several problems.

All three companies have undergone multi-staged privatizations within the years relevant to this investigation. As a result of the changes in ownership, the firms have changed investment patterns, altered asset valuation methodologies and, in some cases, changed the amortization periods for certain assets after privatization. When the AUL amounts calculated on an annual basis for the years prior to the changes in ownership are compared to the AUL amounts calculated after the changes in ownership, dramatic differences become apparent. These changes have significant impacts upon the cumulative AUL calculated by the Department over a ten-year period (*i.e.,* 1988 through 1997).

Based on the concerns outlined above and in accordance with the Department's practice, we preliminarily determine that the calculations of company-specific AULs for COSIPA, CSN and USIMINAS should not be used to determine the appropriate allocation period for non-recurring subsidies. *See Final Affirmative Countervailing Duty Determination: Steel Wire Rod from Germany,* 62 FR 54990, 54999 (October 22, 1997) and *Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination: Stainless Steel Sheet and Strip in Coils from the Republic of Korea,* 63 FR 63884, 63887 (November 17, 1998). Rather, for purposes of this preliminary determination, we are using 15 years as set out in the U.S. Internal Revenue Service (IRS) depreciation tables.

While we have not used company-specific AULs because of the concerns outlined above, even if we were to use the company-specific data submitted by respondents, the facts of this case pose additional concerns and possible inconsistencies. In particular, this investigation covers countervailable non-recurring subsidies benefitting COSIPA, CSN and USIMINAS, *i.e.,* GOB equity infusions. These same non-recurring subsidies to the same companies were previously found countervailable in *Certain Steel from Brazil. See Certain Steel from Brazil,* 68 FR at 37298. In that investigation, the Department allocated the benefits from these GOB investments over 15 years based on information from the IRS for the industry-specific average useful life of assets. Under current Department practice, previously allocated subsidies within the same proceeding are not given a new allocation period. Rather, it is our policy to retain the allocation period originally established for the subsidies in subsequent administrative reviews for the same proceeding. *See, e.g., Steel Plate from Sweden,* 62 FR 16551.

The issue we are presented with is whether the allocation period, once established for a subsidy to a company should change in different proceedings. If the allocation period did not change across proceedings, the same GOB equity infusions described above would be allocated over 15 years in both the current investigation, and any future administrative reviews of the *Certain Steel from Brazil* countervailing duty order. However, if we were to adopt different allocation periods for different proceedings, the same subsidy to the same company would be allocated over different periods.

We encourage parties to comment on this issue and whether an alternative approach may be more appropriate. One option may be to retain the allocation period of a subsidy previously investigated in a prior investigation, rather than assign a new company-specific allocation period based on company-specific AUL data. As described above, that would conform with our practice in administrative reviews of the same countervailing duty order. Another option would be to determine an individual company-specific AUL for each year in which a non-recurring subsidy is provided to a company, rather than to determine a company-specific AUL for non-recurring subsidies that could change with each investigation and result in different allocation periods for the same subsidy, as detailed above. We also welcome any additional comments on this issue not raised above.

Equityworthiness

In analyzing whether a company is equityworthy, the Department considers whether that company could have attracted investment capital from a reasonable private investor in the year of the government equity infusion based on the information available at that time. In this regard, the Department has consistently stated that a key factor for a company in attracting investment capital is its ability to generate a reasonable return on investment within a reasonable period of time. In making an equityworthiness determination, the Department may examine the following factors, among others:

1. Current and past indicators of a firm's financial condition calculated from that firm's financial statements and accounts,

2. Future financial prospects of the firm including market studies, economic forecasts, and project or loan appraisals,

3. Rates of return on equity in the three years prior to the government equity infusion,

4. Equity investment in the firm by private investors, and

5. Prospects in the marketplace for the product under consideration.

For a more detailed discussion of the Department's equityworthiness criteria, see the *GIA*, 58 FR at 37244 and *Final Affirmative Countervailing Duty Determination: Steel Wire Rod from Venezuela*, 62 FR 55104 (Oct. 21, 1997) (*Steel Wire Rod from Venezuela*).

The Department has examined the respondents' equityworthiness for each equity infusion covered by the initiation: for COSIPA 1977 through 1989 and 1992 through 1993, USIMINAS 1980 through 1988, and CSN 1977 through 1992; we note that because the Department has preliminarily determined that it is appropriate to use a 15 year allocation period for non-recurring subsidies, equity infusions provided in the years 1977 through 1982 do not provide a benefit in the POI. In a prior investigation we have found that COSIPA was unequityworthy in 1983–1989 and 1991, USIMINAS in 1983 through 1988, and CSN in 1983 through 1991. *See Certain Steel from Brazil*, 58 FR at 37296. No new information has been provided in this investigation that would cause us to reconsider these determinations.

In considering whether COSIPA was equityworthy in 1992 and1993, we examined information on the above-listed factors. To address factors one and three, we examined COSIPA's financial ratios for the three years prior to each of the infusions. We found that COSIPA incurred a net loss for every year under consideration except for 1989. COSIPA also had a negative return on equity, return on sales, and return on assets for each of the years under consideration except for 1989. The company's quick and current ratios fell steadily from 1989 through 1992, revealing increasing uncertainty in the company's financial health and ability to cover even short-term obligations.

With respect to the second factor, we note that the GOB made the equity investments into COSIPA on the recommendation of a private consultant contracted to evaluate the company's financial health prior to privatization. However, respondents have not demonstrated that this recommendation was premised on independent market studies, economic forecasts, or project appraisals that projected that COSIPA's future performance would improve significantly. Indeed, the basic purpose of the consultant's work was to inform the GOB of the requirements to make COSIPA a reasonable privatization candidate; this work was not undertaken to address the soundness of a contemplated additional investment in the company by the GOB for the purpose of the GOB's continued ownership and operation of the company. Thus, we do not find the fact that the investments were made on this private consultant's recommendation to be dispositive evidence of the company's equityworthiness.

COSIPA had only nominal private investors before the company's privatization. Therefore, there are no private investments that may be used to evaluate COSIPA's equityworthiness.

In light of COSIPA's unfavorable financial position throughout this period and its long-standing history of poor performance, it seems unlikely that a reasonable private investor would have made equity investments in the company. On this basis, we preliminarily determine that COSIPA was unequityworthy in 1992 and 1993.

In considering whether CSN was equityworthy in 1992, we examined information on the above-listed factors. To address factors one and three, we examined CSN's financial ratios for the years 1989, 1990, and 1991. The company's returns on equity and return on sales were negative in 1989 and 1990, including an extremely unfavorable return on sales in 1990. These ratios became positive in 1991, but both were quite low. The company's current ratio has fallen steadily since 1989. CSN's quick ratio vacillated during the period, but in each year remained well below 1 percent. While these ratios, on the whole, show a gradual improvement in 1991, we do not think this mild recovery would cause an inflow of private investment, considering the firm's history of poor results.

With respect to the second factor, we note that the GOB made the equity investment into CSN on the recommendation of a private consultant contracted to evaluate the company's financial health prior to privatization. However, respondents have not demonstrated that this recommendation was premised on independent market studies, economic forecasts, or project appraisals that projected that CSN's future performance would improve significantly. In addition, as with COSIPA the basic purpose of the consultant's work was to inform the GOB of the requirements to make CSN a reasonable privatization candidate, and did not address whether the contemplated investment was sound with respect to expected return and performance of the company. Thus, we do not find the fact that the investments were made on this private consultant's recommendation to be dispositive evidence of the company's equityworthiness.

Through 1990, CSN had only nominal private investment, insufficient for evaluation in the Department's analysis. In 1991, approximately 12 percent of CSN's equity was transferred to the company's pension fund in exchange for eliminating CSN's debt with the pension fund. CSN's 1991 Annual Report reveals that this transaction was necessitated by CSN's inability to make required contributions to the pension fund. *See* Appendix A, section 12 to the Countervailing Duty Petition, public version on file in the CRU. Thus, this transaction is not considered evidence of the company's equityworthiness.

In light of CSN's unfavorable financial position throughout this period and its long-standing history of poor performance, it seems unlikely that a reasonable private investor would have made an equity investment in the company. On this basis, we preliminarily determine that CSN was unequityworthy in 1992.

Equity Methodology

In measuring the benefit from a government equity infusion to an unequityworthy company, the Department compares the price paid by the government for the equity to a market benchmark, if such a benchmark exists. A market benchmark can be obtained, for example, where the company's shares are publicly traded. *See, e.g., Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Spain*, 58 FR 37374, 37376 (July 9, 1993).

Where a market benchmark does not exist, the Department has determined in this investigation to continue to follow the methodology described in the *GIA*, 58 FR at 37239. Following this methodology, equity infusions made to unequityworthy companies are treated as grants. Use of the grant methodology for equity infusions into an unequityworthy company is based on the premise that an unequityworthiness finding by the Department is tantamount to saying that the company could not have attracted investment capital from a reasonable investor in the infusion year based on the available information.

Creditworthiness

When the Department examines whether a company is creditworthy, it is essentially attempting to determine if the company in question could obtain commercial financing at commonly available interest rates. To do so, the Department examines whether the company received long-term commercial loans in the year in question, and, if necessary, the overall financial health and future prospects of the company. If a company receives long-term financing from commercial sources without government guarantees, that company will normally be considered creditworthy. In the absence of commercial borrowings, the Department examines the following factors, among others, to determine whether or not a firm is creditworthy:

1. Current and past indicators of a firm's financial health calculated from the firm's financial statements and accounts,

2. The firm's recent past and present ability to meet its costs and fixed financial obligations with its cash flow, and

3. Future financial prospects of the firm including market studies, economic forecasts, and projects or loan appraisals.

For a more detailed discussion of the Department's creditworthiness criteria, *see, e.g., Final Affirmative Countervailing Duty Determinations: Certain Steel Products from the United Kingdom*, 58 FR 37393 (July 9, 1993).

The Department has previously determined that respondents were uncreditworthy in the following years: USIMINAS, 1983–1988; COSIPA, 1983–1989 and 1991; and CSN 1983–1991. *See Certain Steel from Brazil*, 58 FR at 37297. No new information has been presented in this investigation that would lead us to reconsider these findings.

COSIPA received no long-term financing from commercial sources in the years in question. Therefore, to determine whether COSIPA was creditworthy in 1992 and 1993, in accordance with the Department's past practice, we analyzed financial ratios for each of the three years prior to the year under examination. While COSIPA posted a profit in 1989, it quickly reverted to a pattern of increasing losses from 1990 through 1992. Further, the company's low and deteriorating current and quick ratios from 1989 through 1992 reveal an increasing lack of creditor protection that would likely cause doubts about COSIPA's ability to meet its debt obligations. The declining interest coverage ratio over this period also points to increasing vulnerability in the company's financial position. For these reasons, it is doubtful that the company could have obtained financing at commercial interest rates during these years. Therefore, we preliminarily determine that COSIPA was uncreditworthy in 1992 and 1993.

CSN received one small commercial loan in 1992, however, the terms and insignificant principal amount of this loan render it inconclusive in determining whether CSN was creditworthy in 1992. Therefore, to determine whether CSN was creditworthy in 1992, we also analyzed financial data for the prior three years. CSN incurred a loss in 1989 and a significant loss in 1990 but recovered to post a small profit in 1991. The company's current ratio decreased over this period, remaining well below 1.0. CSN's quick ratio vacillated over these years, but remained extremely low, ranging from 0.12 to 0.17. CSN's interest coverage ratio also shows a downward trend over these years. In 1990 and 1991, this ratio is extremely low, and shows that the company had difficulty managing its financial obligations. For these reasons, it is doubtful that the company could have obtained long-term financing at commercial interest rates. Therefore, we preliminarily determine that CSN was uncreditworthy in 1992.

Discount Rates

In the years relevant to this investigation through 1994, Brazil has experienced persistent and high inflation. There were no long-term fixed-rate commercial loans made in domestic currencies during those years that could be used as discount rates. As in the *Certain Steel from Brazil* investigation, we have determined that the most reasonable way to account for the high inflation in the Brazilian economy through 1994, and the lack of an appropriate Brazilian discount rate, is to convert the non-recurring subsidies into U.S. dollars based on the exchange rate applicable in the month the subsidies were granted, and then to apply, as the discount rate, a long-term dollar lending rate. Therefore, for our discount rate, we used data for U.S. dollar lending in Brazil for long-term non-guaranteed loans from private lenders, as published in the World Bank Debt Tables: External Finance for Developing Countries. This conforms with our practice in *Certain Steel from Brazil* (58 FR at 37298) and *Steel Wire Rod from Venezuela* (62 FR at 55019 and 55023). Because we have preliminarily determined CSN, COSIPA and USIMINAS to be uncreditworthy as described above, we added to the discount rates a risk premium equal to 12 percent of the U.S. prime rate for each of the years the companies were determined to be uncreditworthy.

Based upon our analysis of the petition and the responses to our questionnaires, we determine the following:

I. Programs Preliminarily Determined To Be Countervailable

A. Pre-1992 Equity Infusions

The GOB, through SIDERBRAS, provided equity infusions to USIMINAS (1983 through 1988), COSIPA (1983 through 1989 and 1991) and CSN (1983 through 1991) that have previously been investigated by the Department. *See Certain Steel from Brazil,* 58 FR at 37298.

We preliminarily determine that under section 771(5)(E)(i) of the Act, the equity infusions into USIMINAS, COSIPA and CSN were not consistent with the usual investment practices of private investors and confer a benefit in the amount of each infusion (*see* ''Equityworthiness'' section above). These equity infusions are specific within the meaning of section 771(5A)(D) of the Act because they were limited to each of the companies. Accordingly, we find that the pre-1992 equity infusions are countervailable subsidies within the meaning of section 771(5) of the Act.

As explained in the ''Equity Methodology'' section above, we have treated equity infusions into unequityworthy companies as grants given in the year the infusion was received because no market benchmark exists. We have further determined these infusions to be non-recurring subsidies because each required separate authorization from SIDERBRAS, the shareholder. Because USIMINAS, COSIPA and CSN were uncreditworthy in the year of receipt, we applied a discount rate that included a risk premium. Since USIMINAS, COSIPA and CSN have been privatized, we followed the methodology outlined in the ''Change in Ownership'' section above to determine the amount of each equity infusion attributable to the companies after privatization. For CSN, we summed the benefits allocable to the POI from all equity infusions and divided by CSN's total sales during the POI. For USIMINAS/COSIPA, we summed the benefits allocable to the POI from all of the equity infusions and divided this amount by the combined total sales of USIMINAS/COSIPA during the POI. On this basis, we preliminarily determine the net subsidy to be 5.63 percent ad valorem for CSN and 5.65 percent ad valorem for USIMINAS/COSIPA.

B. GOB Debt-to-Equity Conversions Provided to COSIPA in 1992 and 1993

In 1990, the GOB decided to liquidate SIDERBRAS and to include the SIDERBRAS operating companies, including respondents, in its National Privatization Program. The NPP was a major initiative proposed by President Collor that was part of the GOB's larger strategy to liberalize the Brazilian economy. Under the NPP, approved in Law 8031 of April 12, 1990, a general framework was established to govern all privatizations. Two entities were charged with oversight of the process: the Privatization Committee and the Banco Nacionale de Desenvolvimento Economico e Social (BNDES), which acted as the general coordinator. The Privatization Committee, composed of government and private sector representatives, was responsible for approving the conditions of sale, guidelines and the minimum price for each privatization. BNDES commissioned three consultants to make recommendations with respect to each company undergoing privatization: two consultants to make an economic assessment of the company including its competitiveness and to recommend a minimum price and one consultant to act as an independent auditor.

One of the consultants who examined COSIPA's financial health and competitiveness recommended that financial adjustments be made to the company before privatization including debt-to-equity conversions and deferring certain tax liabilities (see ''Negotiated Deferrals of Tax Liabilities'' in the section ''Programs Preliminarily Determined to be Non-Countervailable'' below). In accordance with this consultant's recommendation, the GOB made two debt-to-equity conversions in 1992 and 1993 in preparation for COSIPA's privatization.

We preliminarily determine that pursuant to section 771(5)(E)(i) of the Act, these debt-to-equity conversions were not consistent with the usual investment practices of private investors and confer a benefit in the amount of each conversion (*see* ''Equityworthiness'' section above). These debt-to-equity conversions are specific within the meaning of section 771(5A)(D) of the Act because they were limited to COSIPA. Accordingly, we find that the GOB debt-to-equity conversions provided to COSIPA in 1992 and 1993 are countervailable subsidies within the meaning of section 771(5) of the Act.

As explained in the ''Equity Methodology'' section above, we have treated each debt-to-equity conversion as a grant given in the year the conversion was made. We have further determined that these conversions are non-recurring subsidies because they were specifically approved by the GOB. Because COSIPA was uncreditworthy in the years of receipt, we applied a discount rate that included a risk premium. Since COSIPA has been privatized, we followed the methodology outlined in the ''Change in Ownership'' section above to determine the amount of each debt-to-equity conversion attributable to the company after privatization. We divided the benefit allocable to the POI from these debt-to-equity conversions by the combined total sales of USIMINAS/COSIPA. On this basis, we preliminarily determine the net subsidy to be 3.80 percent ad valorem for USIMINAS/COSIPA.

C. GOB Equity Infusion to CSN in 1992

As discussed above, under the GOB's National Privatization program, companies were privatized under the supervision of BNDES and the Privatization Committee. In accordance with the established privatization procedures, BNDES commissioned three consultants with respect to the privatization of CSN: two to analyze the firm's financial performance, make recommendations, and formulate the minimum price and one to act as an independent auditor. One of the consultants, after analysis of CSN's financial data, recommended that additional capital be provided to the firm in advance of its privatization. The GOB followed this recommendation and made a pre-privatization equity infusion in 1992.

We preliminarily determine that, pursuant to section 771(5)(E)(i) of the Act, this equity infusion was not consistent with the usual investment practices of private investors and confers a benefit in the amount of the infusion (*see* ''Equityworthiness'' section above). This infusion is specific within the meaning of section 771(5A)(D) of the Act because it was limited to CSN. Accordingly, we find that the GOB equity infusion provided to CSN in 1992 is a countervailable subsidy within the meaning of section 771(5) of the Act.

As explained in the ''Equity Methodology'' section above, we have treated this equity infusion as a grant given in the year the infusion was received. We have further determined that this infusion is a non-recurring subsidy because it required separate authorization from the GOB. Because CSN was uncreditworthy in the year of receipt, we applied a discount rate that included a risk premium. Since CSN was privatized, we followed the methodology outlined in the ''Change in Ownership'' section above to determine the amount of each equity infusion attributable to the company after privatization. We divided the benefit allocable to the POI from the equity infusion by CSN's total sales during the POI. On this basis, we preliminarily determine the net subsidy to be 0.99 percent ad valorem for CSN.

II. Program Preliminarily Determined To Be Non-Countervailable

Negotiated Deferrals of Tax Liabilities

As discussed above, one of the privatization consultants recommended that COSIPA negotiate with the various tax authorities in order to arrange to pay its large tax arrears in deferred installments. COSIPA petitioned four different tax authorities in order to arrange for installment payments for ten different types of taxes owed. In addition, CSN petitioned to arrange for installment payments for one tax liability.

Each of the tax agencies, the Revenue Service, Social Security Authority, State of Sao Paulo, and City authority has established legal procedures for arranging installment payments for delinquent tax payers. The authorities established these rules in order to collect tax arrears without resorting to legal action. These procedures were contained in Law 8383/91, Law 8620/93 and Decree 612/92, Decree 33.118/91 and Law 1383/83, respectively, and specified penalties, interest rates, and in some cases, the maximum repayment term. For example, law 8383/91 that governs the Revenue Service's operations and applies to six of the ten types of taxes COSIPA deferred and the tax that CSN deferred, specifies that fines of 20 percent and interest of one per cent per month will be charged and that all amounts will be subject to monetary correction, i.e., adjustments for inflation. To the extent that terms, such as the maximum repayment period, were not covered in the agency's laws and regulations, they were negotiated by COSIPA or CSN and the relevant tax authority. Once the parties completed negotiations, the authority would endorse the petition and, in some cases, execute a separate agreement.

When determining whether a program is countervailable, we must ascertain whether it provides benefits to a specific enterprise, industry, or group thereof within the meaning of section 771(5A)(D) of the Act. By comparing the terms included in the agencies' laws and regulations and the terms provided to COSIPA and CSN, we were able to conclude that the respondent companies received the same terms as those specified in the laws. Therefore, as the GOB did not favor COSIPA or CSN over other companies, we turned to an examination of the general programs themselves in order to determine whether they are specific. We examined whether the programs are *de jure* specific and found that the laws do not limit eligibility to an enterprise, industry, or group thereof. We then analyzed whether the program meets the criteria for *de facto* specificity. The GOB indicated in its response that ''[d]eferred payment terms are generally available for all companies that have outstanding tax obligations to the underlying tax authority.'' *See* GOB Supplemental Questionnaire Response dated January 12, 1999, public version on file in the CRU. Further, the GOB stated that tax deferral petitions are automatically approved by the authorities as long as they conform with the establishing laws and regulations and as stated above neither the laws nor regulations provide differential or special treatment to any company or industry. Further, the GOB has provided information on the number of companies that petitioned the Revenue Service to renegotiate taxes; in 1993 and 1994, the years that COSIPA and CSN petitioned the Revenue Service to defer payments on various taxes, 91,440 and 139,596 taxpayers received deferred payment schedules for tax arrears. *See* GOB Supplemental Questionnaire Response dated February 8, 1999, public version on file in the CRU. While the number of companies that receive benefits under a program is not dispositive as to a program's non-specificity, the extremely large number of companies receiving deferrals indicates that a broad range of companies and industries received benefits under the program. Therefore, based on the response, there is no reason to believe that these tax deferrals are limited to a specific enterprise, industry or group thereof, and we preliminarily determine that these tax deferrals are not countervailable. We will continue to gather information about the *de facto* distribution of benefits under this program and carefully examine this issue at verification.

III. Program Preliminarily Determined Not To Exist

GOB Equity Infusions to COSIPA in 1992 and 1993

The Department included two programs in its initiation relating to benefits provided to COSIPA in advance of the company's privatization: debt assumptions and equity infusions. According to information provided by respondents, there were no equity infusions, *per se.* Instead, all benefits were in the form of debt assumptions that were converted into equity and have been addressed in the ''GOB Debt-to-Equity Conversions Provided to COSIPA in 1992 and 1993'' section above. Accordingly, we preliminarily determine that the separate ''GOB Equity Infusions to COSIPA in 1992 and 1993'' program does not exist.

Verification

In accordance with section 782(i) of the Act, we will verify the information submitted by respondents prior to making our final determination.

Suspension of Liquidation

In accordance with section 703(d)(1)(A)(i) of the Act, we have calculated individual rates for each of the companies under investigation. As discussed in the ''Affiliated Parties'' section of this notice, we are treating USIMINAS/COSIPA as one company and have calculated a single rate for USIMINAS/COSIPA. To calculate the ''all others'' rate, we weight-averaged the company rates by each company's exports of the subject merchandise to the United States.

In accordance with section 703(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of the subject merchandise from Brazil, which are entered or withdrawn from warehouse, for consumption on or after the date of the publication of this notice in the **Federal Register**, and to require a cash deposit or bond for such entries of the merchandise in the amounts indicated below. This suspension will remain in effect until further notice.

AD VALOREM RATES

Producer/exporter	Net subsidy rate %
USIMINAS/COSIPA	9.45
CSN	6.62
All Others	7.85

ITC Notification

In accordance with section 703(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary, Import Administration.

If our final determination is affirmative, the ITC will make its final determination within 45 days after the Department makes its final determination.

Public Comment

In accordance with 19 CFR 351.310, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on this preliminary determination. The hearing is tentatively scheduled to be held 57 days from the date of publication of the preliminary determination at the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the **Federal Register** to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, N.W., Washington, DC 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Requests for a public hearing should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and, (3) to the extent practicable, an identification of the arguments to be raised at the hearing. In addition, six copies of the business proprietary version and six copies of the nonproprietary version of the case briefs must be submitted to the Assistant Secretary no later than 50 days from the date of publication of the preliminary determination. As part of the case brief, parties are encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited. Six copies of the business proprietary version and six copies of the nonproprietary version of the rebuttal briefs must be submitted to the Assistant Secretary no later than 55 days from the date of publication of the preliminary determination. An interested party may make an affirmative presentation only on arguments included in that party's case or rebuttal briefs. Written arguments should be submitted in accordance with 19 CFR 351.309 and will be considered if received within the time limits specified above.

This determination is published pursuant to sections 703(f) and 777(i) of the Act.

Dated: February 12, 1999.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 99–4198 Filed 2–18–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

Visiting Committee on Advanced Technology

AGENCY: National Institute of Standards and Technology, Department of Commerce.

ACTION: Notice of partially closed meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act, 5 U.S.C. app. 2, notice is hereby given that the Visiting Committee on Advanced Technology, National Institute of Standards and Technology (NIST), will meet Tuesday, March 9, 1999 from 8:30 a.m. to 5:00 p.m. The Visiting Committee on Advanced Technology is composed of fifteen members appointed by the Director of NIST; who are eminent in such fields as business, research, new product development, engineering, labor, education, management consulting, environment, and international relations. The purpose of this meeting is to review and make recommendations regarding general policy for the Institute, its organization, its budget, and its programs within the framework of applicable national policies as set forth by the President and the Congress. The agenda will include NIST update and Discussion of Legislative Mandates; Advanced Technology Program Retrospective; Building and Fire Research Laboratory Priority Setting; Information Technology Laboratory's Software Testing; NIST's Role in Wireless Technology; and a lab tour of the Information Technology Laboratory's Electronic Books project. Discussions scheduled to begin at 8:30 a.m. and to end at 9:10 a.m. on March 9, 1999, on staffing of management positions at NIST and the NIST budget, including funding levels of the Advanced Technology Program and the Manufacturing Extension Partnership will be closed.

DATES: The meeting will convene March 9, 1999, at 8:30 a.m. and will adjourn at 5:00 p.m. on March 9, 1999.

ADDRESSES: The meeting will be held in the Employees' Lounge (seating capacity 80, includes 38 participants), Administration Building, at NIST, Gaithersburg, Maryland.

FOR FURTHER INFORMATION CONTACT: Dr. Brian C. Belanger, Executive Director, Visiting Committee on Advanced Technology, National Institute of Standards and Technology, Gaithersburg, MD 20899–1004, telephone number (301) 975–4720.

SUPPLEMENTARY INFORMATION: The Assistant Secretary for Administration, with the concurrence of the General Counsel, formally determined on August 7, 1998, that portions of the meeting of the Visiting Committee on Advanced Technology which involve discussion of proposed funding of the Advanced Technology Program and the Manufacturing Extension Partnership Program may be closed in accordance with 5 U.S.C. 552b(c)(9)(B), because those portions of the meetings will divulge matters the premature disclosure of which would be likely to significantly frustrate implementation of proposed agency actions; and that portions of meetings which involve discussion of the staffing issues of management and other positions at NIST may be closed in accordance with 5 U.S.C. 552b(c)(6), because divulging information discussed in those portions of the meetings is likely to reveal information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy.

Dated: February 12, 1999.

Karen H. Brown,

Deputy Director.

[FR Doc. 99–4188 Filed 2–18–99; 8:45 am]

BILLING CODE 3510–13–M

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

Announcement of a Partially Closed Meeting of the Manufacturing Extension Partnership National Advisory Board

AGENCY: Natonal Institute of Standards and Technology, Commerce.

ACTION: Notice of partially closed meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act, 5 U.S.C. app. 2, notice is hereby given that the National Institute of Standards of Technology's (NIST's) Manufacturing Extension Partnership National Advisory Board (MEPNAB) will meet to hold a meeting on Wednesday, May 12, 1999. The MEPNAB is composed of nine members appointed by the Director