

[Order No. 773]**Grant of Authority for Subzone Status; Marathon Oil Company (Oil Refinery) Garyville, LA**

Pursuant to its authority under the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a-81u), the Foreign-Trade Zones Board (the Board) adopts the following Order:

Whereas, by an Act of Congress approved June 18, 1934, an Act "To provide for the establishment * * * of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes," as amended (19 U.S.C. 81a-81u) (the Act), the Foreign-Trade Zones Board (the Board) is authorized to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs ports of entry;

Whereas, the Board's regulations (15 CFR Part 400) provide for the establishment of special-purpose subzones when existing zone facilities cannot serve the specific use involved;

Whereas, an application from the South Louisiana Port Commission, grantee of Foreign-Trade Zone 124, for authority to establish special-purpose subzone status at the oil refinery complex of Marathon Oil Company, in Garyville, Louisiana, was filed by the Board on January 9, 1995, and notice inviting public comment was given in the Federal Register (FTZ Docket 1-95, 60 FR 4589, 1-24-95); and,

Whereas, the Board has found that the requirements of the FTZ Act and Board's regulations would be satisfied, and that approval of the application would be in the public interest if approval is subject to the conditions listed below;

Now, therefore, the Board hereby authorizes the establishment of a subzone (Subzone 124E) at the Marathon Oil Company refinery complex, in Garyville, Louisiana, at the location described in the application, subject to the FTZ Act and the Board's regulations, including § 400.28, and subject to the following conditions:

1. Foreign status (19 CFR 146.41, 146.42) products consumed as fuel for the refinery shall be subject to the applicable duty rate.

2. Privileged foreign status (19 CFR 146.41) shall be elected on all foreign merchandise admitted to the subzone, except that non-privileged foreign (NPF) status (19 CFR 146.42) may be elected on refinery inputs covered under HTSUS Subheadings # 2709.00.1000-# 2710.00.1050 and # 2710.00.2500 which are used in the production of:

—petrochemical feedstocks and refinery by-products (examiners report, Appendix D);
—products for export; and,
—products eligible for entry under HTSUS # 9808.00.30 and 9808.00.40 (U.S. Government purchases).

3. The authority with regard to the NPF option is initially granted until September 30, 2000, subject to extension.

Signed at Washington, DC, this 18th day of September 1995.

Susan G. Esserman,

Assistant Secretary of Commerce for Import Administration, Alternate Chairman, Foreign-Trade Zones Board.

John J. Da Ponte, Jr.,

Executive Secretary.

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International Trade Administration

[C-201-505]

Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of a Countervailing Duty Administrative Review

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

ACTION: Notice of preliminary results and termination in part of countervailing duty administrative review.

SUMMARY: In response to requests by a respondent, Acero Porcelanizado, S.A. de C.V. (APSA), and by the Government of Mexico on behalf of Esmaltaciones San Ignacio S.A. (San Ignacio), the Department of Commerce (the Department) initiated an administrative review of the countervailing duty order on porcelain-on-steel cookingware from Mexico for APSA and San Ignacio (60 FR 19017; January 13, 1995). Because the Government of Mexico withdrew its request for review of San Ignacio, the Department is now terminating this review in part with respect to San Ignacio.

We preliminarily determine the net subsidy to be *de minimis* for APSA for the period January 1, 1994 through December 31, 1994. If the final results remain the same as these preliminary results, the Department intends to instruct the U.S. Customs Service to liquidate, without regard to countervailing duties, all shipments of the subject merchandise from APSA exported on or after January 1, 1994, and on or before December 31, 1994. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: September 26, 1995.

FOR FURTHER INFORMATION CONTACT: Norma Curtis or Kelly Parkhill, Office of Countervailing Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; Telephone: (202) 482-2786.

SUPPLEMENTARY INFORMATION:**Background**

On December 12, 1986, the Department published in the Federal Register (55 FR 51139) the countervailing duty order on porcelain-on-steel cookingware from Mexico. On December 6, 1994, the Department published in the Federal Register a notice of "Opportunity to Request Administrative Review" (60 FR 62710) of this countervailing duty order. We received timely requests for review from APSA, a respondent company, and the Government of Mexico on behalf of respondent company, San Ignacio.

On January 13, 1995, we initiated the review for APSA and San Ignacio covering the period January 1, 1994 through December 31, 1994 (POR), (60 FR 19017). On August 8, 1995, the Government of Mexico withdrew its request for review for San Ignacio. Under CFR 355.22 (a) (3) (1994), a party requesting a review may withdraw that request no later than 90 days after the date of publication of the notice of initiation or at any later time if the Department decides that it is reasonable to do so. Although the Government of Mexico's withdrawal occurred outside of the time frame specified in 19 CFR 355.22 (a) (3), the Department has decided that because substantial resources had not yet been devoted to the review with respect to San Ignacio, it is reasonable to terminate this review in part with respect to San Ignacio.

We conducted a verification of the questionnaire responses submitted by APSA on July 12, 1995 through July 13, 1995. The review now covers one manufacturer/exporter of the subject merchandise, APSA, and ten programs.

Applicable Statute and Regulations

The Department is conducting this administrative review in accordance with section 751 (a) of the Tariff Act of 1930, as amended (the Act). Unless otherwise indicated, all citations to the statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Scope of the Review

Imports covered by this review are shipments of porcelain-on-steel

cookingware from Mexico. The products are porcelain-on-steel cookingware (except teakettles), which do not have self-contained electric heating elements. All of the foregoing are constructed of steel, and are enameled or glazed with vitreous glasses. During the review period, such merchandise was classifiable under item number 7323.94.0020 of the Harmonized Tariff Schedule (HTS). The HTS item number is provided for convenience and Customs purposes. The written description remains dispositive.

Analysis of Programs

I. Programs Previously Determined to Confer Subsidies—BANCOMEXT Financing for Exporters

Banco Nacional de Comercio Exterior, S.N.C. (Bancomext) is a government program through which short-term financing is provided to producers or trading companies engaged in export activities. In order to be eligible for Bancomext financing, a company must be established according to Mexican law, it must be at least 30 percent owned by Mexican nationals, and it must be an exporter. Bancomext provides two types of financing to exporters, denominated in either U.S. dollars or in Mexican pesos: working capital (pre-export loans), and loans for export sales (export loans). In addition, Bancomext may provide financing to foreign buyers of Mexican goods and services.

The Department has previously found this program to confer an export subsidy to the extent that the loans are provided at preferential terms (See Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of Countervailing Duty Administrative Review (56 FR 48163; September 24, 1991) and Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review (57 FR 562; January 7, 1992)). In this review the Government of Mexico provided no new information that would lead the Department to alter that determination.

APSA had Bancomext loans on which interest was due during the POR. We found that the annual interest rates that Bancomext charged to borrowers for certain loans on which interest payments were due during the review period were lower than the commercial rates. The dollar-denominated Bancomext loans under review were granted at annual interest rates ranging from 6.25 percent to 8.7 percent. To determine the extent to which these loans are provided at preferential terms, we compared them to a benchmark which was determined by using the

average quarterly weighted-average effective interest rates published in the Federal Reserve Bulletin, which resulted in an annual average benchmark of 6.5 percent in 1993 and 6.9 percent in 1994. This is the same benchmark calculation methodology that has been applied in prior reviews (See Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of Countervailing Duty Administrative Review (56 FR 48163; September 24, 1991) and Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review (57 FR 562; January 7, 1992)).

We consider the benefits from short-term loans to occur at the time the interest is paid. Because interest on Bancomext pre-export loans is paid at maturity, we calculated benefits based on loans that matured during the review period; such loans were obtained between October 1993 and August 1994.

To calculate the benefit for APSA, we multiplied the difference between the interest rate charged to the exporter for these loans and the benchmark interest rate by the principal and then multiplied this amount by the term of the loan divided by 365. Since APSA was not able to tie their loans to specific sales, we divided the benefit by total export sales. On this basis, we preliminarily determine the subsidy from this program to be 0.01 percent *ad valorem* for APSA.

II. Programs Preliminarily Found Not To Be Used

We also examined the following programs and preliminarily determine that the exporters of the subject merchandise did not apply for or receive benefits under these programs during the review period:

- (A) Certificates of Fiscal Promotion (CEPROFI)
- (B) PITEX
- (C) Other Bancomext Preferential Financing
- (D) Import Duty Reductions and Exemptions
- (E) State Tax Incentives
- (F) Article 15 Loans
- (G) NAFINSA FOGAIN-type Financing
- (H) NAFINSA FONEI-type Financing
- (I) FONEI

Preliminary Results of Review

For the period January 1, 1994 through December 31, 1994, we preliminarily determine the net subsidy to be 0.01 percent *ad valorem* for APSA. In accordance with 19 CFR 255.7, any rate less than 0.5% *ad valorem* is *de minimis*.

If the final results of this review remain the same as these preliminary results, the Department intends to instruct the U.S. Customs Service to liquidate, without regard to countervailing duties, all shipments of the subject merchandise from APSA exported on or after January 1, 1994, and on or before December 31, 1994.

The Department also intends to instruct the U.S. Customs Service to collect a cash deposit of estimated countervailing duties of zero percent of the f.o.b. invoice price on all shipments of the subject merchandise from APSA entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. The cash deposit rates for all other producers/exporters remain unchanged from the last completed administrative review.

Parties to the proceeding may request disclosure of the calculation methodology and interested parties may request a hearing not later than 10 days after the date of publication of this notice. Interested parties may submit written arguments in case briefs on these preliminary results within 30 days of the date of publication. Rebuttal briefs, limited to arguments raised in case briefs, may be submitted seven days after the time limit for filing the case brief. Parties who submit written arguments in this proceeding are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument. Any hearing, if requested, will be held seven days after the scheduled date for submission of rebuttal briefs. Copies of case briefs and rebuttal briefs must be served on interested parties in accordance with 19 CFR 355.38(e).

Representatives of parties to the proceeding may request disclosure of proprietary information under administrative protective order no later than 10 days after the representative's client or employer becomes a party to the proceeding, but in no event later than the date the case briefs, under section 355.38(c), are due. The Department will publish the final results of this administrative review including the results of its analysis of issues raised in any case or rebuttal brief or at a hearing.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 355.22.

Dated: September 15, 1994.

Susan G. Esserman,
Assistant Secretary for Import
Administration.

[FR Doc. 95-23890 Filed 9-25-95; 8:45 am]

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[A-201-601]

**Fresh Cut Flowers From Mexico;
Preliminary Results of Antidumping
Duty Administrative Review**

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

ACTION: Notice of preliminary results
and termination in part of antidumping
duty administrative review.

SUMMARY: In response to a request by the Floral Trade Council (petitioner), and three respondents, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain fresh cut flowers from Mexico. The review covers eleven producers/exporters, and entries of the subject merchandise into the United States during the period April 1, 1993, through March 31, 1994. We have preliminarily determined to assign margins based on the best information available (BIA) to five of these producers due to their failure to respond to our request for information. We have preliminarily determined that zero margins exist for three other producers. Two producers, Rancho Daisy (Daisy) and Visaflor F. de P.R. (Visaflor), made no shipments to the United States during the period of review (POR).

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: September 26, 1995.

FOR FURTHER INFORMATION CONTACT:
Matthew Blaskovich or Zev Primor,
Office of Antidumping Compliance,
Import Administration, International
Trade Administration, U.S. Department
of Commerce, 14th Street and
Constitution Avenue, NW, Washington,
DC 20230; telephone: (202) 482-5831/
4114.

SUPPLEMENTARY INFORMATION:

Background

On April 23, 1987, the Department published in the Federal Register an antidumping duty order on certain fresh cut flowers from Mexico (52 FR 13491). On April 7, 1994, the Department published a notice of opportunity to request an administrative review of this antidumping duty order (59 FR 16615). In accordance with 19 CFR 353.22(a)(1), petitioner requested an administrative

review on April 29, 1994. Also on that date, Rancho Guacatay (Guacatay), Rancho el Toro (Toro), and Rancho Aguaje (Aguaje) requested that the Department conduct a review, and upon completion of the review, revoke the antidumping order as it pertains to all three producers. We published a notice of initiation on May 12, 1994 (59 FR 24683), covering Visaflor, Tzitzic Tareta, Daisy, Rancho Alisitos (Alisitos), Rancho Mision el Descanso (Mision el Descanso), Rancho Las Dos Palmas (Las Dos Palmas), Las Flores de Mexico (Las Flores), Rancho del Pacifico (Pacifico), Aguaje, Toro, Guacatay, and Mexipel, S.A. de CV (Mexipel) and the period April 1, 1993, through March 31, 1994.

On August 23 and May 25, 1994, Daisy and Visaflor respectively stated that they did not ship subject merchandise from Mexico to the United States during the POR. We verified their claim through the U.S. Customs Service. On November 15, 1994, the Department was informed that Las Dos Palmas ceased to exist in 1986, and became Aguaje. (See memorandum to the file dated 5/15/95.) The Department received no questionnaire responses from Tzitzic Tareta, Alisitos, Mision el Descanso, Las Flores, and Mexipel. Therefore, we have based our results for these five respondents on BIA.

Applicable Statutes and Regulations

The Department is conducting this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act). Unless otherwise stated, all citations to the statutes and to the Department's regulations are references to the provisions as they existed on December 31, 1994.

Scope of the Review

The products covered by this review are certain fresh cut flowers, defined as standard carnations, standard chrysanthemums, and pompon chrysanthemums. During the POR, such merchandise was classifiable under Harmonized Tariff Schedule of the United States (HTSUS) items 0603.10.7010 (pompon chrysanthemums), 0603.10.7020 (standard chrysanthemums), and 0603.10.7030 (standard carnations). The HTSUS item numbers are provided for convenience and Customs purposes only. The written description remains dispositive as to the scope of the order.

This review covers sales of the subject merchandise entered into the United States during the period April 1, 1993, through March 31, 1994.

United States Price

As in the original less-than-fair-value (LTFV) investigation and in all prior administrative reviews, all United States prices were weight-averaged on a monthly basis to account for the perishability of the product. In accordance with the methodology established in the 1989-1990 review, we also calculated United States price by flower type, without regard to specific grades. (See Final Results of Antidumping Duty Administrative Review; Certain Fresh Cut Flowers from Mexico, 56 FR 29621 (June 28, 1991).)

For sales made directly to unrelated parties prior to importation into the United States, we based the United States price on purchase price, in accordance with section 772(b) of the Act. For sales to the first unrelated purchaser that took place after importation into the United States, we based United States price on exporter sales price (ESP). Purchase price and ESP transactions were based, where applicable, on the packed f.o.b. prices to the first unrelated purchaser in the United States. We made deductions from purchase price and ESP, where applicable, for foreign and U.S. inland freight, U.S. and Mexican Customs clearance fees, U.S. and Mexican brokerage and handling charges, indirect selling expenses, and credit. No other adjustments were claimed or allowed.

Foreign Market Value

In calculating foreign market value (FMV), we used home market prices to unrelated purchasers or constructed value (CV), as defined in section 773 of the Act.

Because the Department determined during the prior completed administrative review that Guacatay made sales in the home market below the cost of production (COP) (See Final Results of Administrative Review; Certain Fresh Cut Flowers from Mexico, 57 FR 19597 (May 7, 1992)), we initiated a COP investigation with respect to Guacatay. We tested, on a monthly sales aggregate basis, whether net home market price was greater than the sum of cost of production (COP) and packing. We determined that no sales in the home market were made below the cost of production.

Where applicable, home market price was based on the packed, delivered price to unrelated purchasers in the home market. When CV was used, it consisted of the sum of the costs of materials, labor, direct and indirect overhead, selling, general and administrative expenses (SG&A), and