Petitioners assert that this determination is consistent with the final determination in which the Department found all grants and interest subsidies provided under the 1970 Law to be specific and countervailable.

Petitioners contend that subsequent to the preliminary results of this review, the GOB made a new specificity claim. Specifically, petitioners maintain that the GOB claims that the first part of the 1970 Law deals with aid to development zones and is regionally specific, while the second part of the 1970 Law involves research and development programs and is generally available. Petitioners argue that the record does not support this claim.

Petitioners assert that Article 25 of the 1970 law, under which this subsidy was granted, does not indicate that assistance under this Article is generally available. Petitioners argue that at verification, the Department found that this subsidy was provided under Article 25 of the 1970 Law and that equivalent benefits were not available to firms outside of the development zone areas. Thus, petitioners contend, benefits bestowed under this program were regionally specific at the time Fafer received its benefits.

Further, petitioners argue that to the extent Article 25 subsidies were changed by later amendments to the 1970 Law, these amendments do not affect the specificity of Fafer's loan. Petitioners contend that at verification the Department found that Article 25 had been replaced by the Walloon Decree of July 5, 1990. However, petitioners argue this change was not implemented until September 29, 1994. Petitioners assert that Fafer applied for its loan in 1988, was approved for the loan in 1989, and received all payments by 1992, years before changes to this program took place. Therefore, petitioners argue that Fafer has not demonstrated that this program is not specific.

Department's Position: As noted above, in the section titled *Programs Found Not to Confer Subsidies,* on the basis of our findings at verification, we find this program to be not specific in these final results. *See* (*See* Memorandum to Holly A. Kuga from David Mueller dated March 8, 1999, *Decision Memorandum Re: Specificity of the Research and Development (R&D) Aid in the 1996 Countervailing Duty Administrative Review of Certain Cut-to-Length Carbon Steel Products From Belgium,* public version on file in room B–099 of the main Commerce Building.) Accordingly, we have not addressed Fafer's claim for green light status.

Final Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated an individual subsidy rate for each producer/exporter subject to this administrative review. For the period January 1, 1996 through December 31, 1996, we determine the net subsidy for Fafer to be 0.35 percent *ad valorem*.

As provided for in the Act, any rate less than 0.5 percent *ad valorem* in an administrative review is *de minimis.* Accordingly, the Department intends to instruct Customs to liquidate, without regard to countervailing duties, shipments of the subject merchandise from Fafer exported on or after January 1, 1996, and on or before December 31, 1996. Also, the cash deposits required for these companies will be zero.

Because the URAA replaced the general rule in favor of a country-wide rate with a general rule in favor of individual rates for investigated and reviewed companies, the procedures for establishing countervailing duty rates, including those for non-reviewed companies, are now essentially the same as those in antidumping cases, except as provided for in 777A(e)(2)(B) of the Act. The requested review will normally cover only those companies specifically named. *See* 19 CFR 351.213(b). Pursuant to 19 CFR 351.212(c), for all companies for which a review was not requested, duties must be assessed at the cash deposit rate, and cash deposits must continue to be collected at the rate previously ordered. As such, the countervailing duty cash deposit rate applicable to a company can no longer change, except pursuant to a request for a review of that company. *See Federal-Mogul Corporation and The Torrington Company* v. *United States,* 822 F.Supp. 782 (CIT 1993) and *Floral Trade Council* v. *United States,* 822 F.Supp. 766 (CIT 1993). Therefore, the cash deposit rates for all companies except those covered by this review will be unchanged by the results of this review.

We will instruct Customs to continue to collect cash deposits for non-reviewed companies at the most recent company-specific or country-wide rate applicable to the company. Accordingly, the cash deposit rates that will be applied to non-reviewed companies covered by this order will be the rate for that company established in the most recently completed administrative proceeding conducted under the URAA. If such a review has not been conducted, the rate established in the most recently completed administrative proceeding pursuant to the statutory provisions that were in effect prior to the URAA amendments is applicable. *See Final Determination.* These rates shall apply to all non-reviewed companies until a review of a company assigned these rates is requested. In addition, for the period January 1, 1996 through December 31, 1996, the assessment rates applicable to all non-reviewed companies covered by this order are the cash deposit rates in effect at the time of entry.

This notice serves as a 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 355.34(d). Timely written 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.

This administrative review and notice are issued and published in accordance with section 751(a)(1) and 777(i)(1) of the Act (19 U.S.C. 1675(a)(1) and 19 U.S.C. 1677f(i)(7)).

Dated: March 8, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–6288 Filed 3–15–99; 8:45 am]

BILLING CODE 3510–DS–PZ

DEPARTMENT OF COMMERCE

International Trade Administration

[C–894–802]

Notice of Initiation of Countervailing Duty Investigation: Certain Cut-To-Length Carbon-Quality Steel Plate From the Former Yugoslav Republic of Macedonia

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

EFFECTIVE DATE: March 16, 1999.

FOR FURTHER INFORMATION CONTACT: Eva Temkin, at (202) 482–1167, Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Initiation of Investigation

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the

Department's regulations are to the regulations codified at 19 CFR Part 351 (1998) and to the substantive countervailing duty regulations published in the **Federal Register** on November 25, 1998 (63 FR 65348).

The Petition

On February 16, 1999, the Department of Commerce (the Department) received a petition filed in proper form on behalf of U.S. Steel Group, a Unit of USX Corporation, Bethlehem Steel Corporation, Gulf States, Inc., IPSCO Steel Inc., Tuscaloosa Steel Corporation, and the United Steelworkers of America (the petitioners). Supplements to the petition were filed on February 26 and March 2, 1999.

In accordance with section 702(b)(1) of the Act, petitioners allege that manufacturers, producers, or exporters of certain cut-to-length carbon-quality steel plate (CTL plate or subject merchandise) in the Former Yugoslav Republic of Macedonia receive countervailable subsidies within the meaning of section 701 of the Act.

The Department finds that petitioners filed the petition on behalf of the domestic industry because they are interested parties as defined under sections 771(9)(C) and (D) of the Act. The petitioners have demonstrated sufficient industry support (*see Determination of Industry Support for the Petition* below).

Scope of the Investigation

The products covered by this scope are certain hot-rolled carbon-quality steel: (1) Universal mill plates (*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 nominal or actual thickness of not less than 4 mm, which are cut-to-length (not in coils) and without patterns in relief), of iron or non-alloy-quality steel; and (2) flat-rolled products, hot-rolled, of a nominal or actual thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are cut-to-length (not in coils).

Steel products to be included in this scope are of rectangular, square, circular or other shape and of rectangular or non-rectangular cross-section where such non-rectangular cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been ''worked after rolling'')—for example, products which have been beveled or rounded at the edges. Steel products that meet the noted physical characteristics that are painted, varnished or coated with plastic or other non-metallic substances are included within this scope. Also, specifically included in this scope are high strength, low alloy (HSLA) steels. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum.

Steel products to be included in this scope, regardless of Harmonized Tariff Schedule of the United States (HTSUS) definitions, are products in which: (1) Iron predominates, by weight, over each of the other contained elements, (2) the carbon content is two percent or less, by weight, and (3) none of the elements listed below is equal to or 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
0.10 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 zirconium.

All products that meet the written physical description, and in which the chemistry quantities do not equal or exceed any one of the levels listed above, are within the scope of this investigation unless otherwise specifically excluded. The following products are specifically excluded from this investigation: (1) Products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances; (2) SAE grades (formerly AISI grades) of series 2300 and above; (3) products made to ASTM A710 and A736 or their proprietary equivalents; (4) abrasion-resistant steels (*i.e.*, USS AR 400, USS AR 500); (5) products made to ASTM A202, A225, A514 grade S, A517 grade S, or their proprietary equivalents; (6) ball bearing steels; (7) tool steels; and (8) silicon manganese steel or silicon electric steel.

The merchandise subject to this investigation is classified in the HTSUS under subheadings: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000.

Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the merchandise under investigation is dispositive.

During our review of the petition, we discussed the scope with the petitioners to ensure that the scope in the petition accurately reflects the merchandise for which the domestic industry is seeking relief. Moreover, as we discussed in the preamble to the Department's regulations (62 FR at 27323), we are setting aside a period for parties to raise issues regarding product coverage. In particular, we seek comments on the specific levels of alloying elements set out in the description above, the clarity of grades and specifications excluded from the scope, and the physical and chemical description of the product coverage. The Department encourages all parties to submit such comments by March 29, 1999. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determinations.

Consultations

Pursuant to 19 CFR 351.202(i)(2), the Department invited representatives of the Government of the Former Yugoslav Republic of Macedonia for consultations with respect to the petition filed. On March 3, 1999, the Department held consultations with a representative of the Former Yugoslav Republic of Macedonia. *See* the March 8, 1999, memoranda to the file regarding these consultations (public documents on file in the Central Records Unit of the Department of Commerce, Room B–099).

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) at least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing

support for, or opposition to, the petition.

Section 771(4)(A) of the Act defines the ''industry'' as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. Section 771(10) of the Act defines domestic like product as ''a product that is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.'' Thus, the reference point from which the domestic like product analysis begins is ''the article subject to an investigation,'' *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition. Moreover, the petitioners do not offer a definition of domestic like product distinct from the scope of the investigation.

In this case, ''the article subject to investigation'' includes certain products which have not previously been included within the scope of investigation involving cut-to-length carbon steel products. To this end, the Department has reviewed reasonably available information to determine whether the products within the scope of the investigation constitutes one or more than one domestic like product(s).

Some steel products classified as alloy steels based on the HTSUS are recognized as carbon steels by the industry and/or the marketplace. For example, *The Book of Steel*, a 1996 publication by Sollac, a flat-rolled steel division of Usinor, one of the largest steel companies in the world, identifies HSLA as falling within categories of plain carbon sheet steels (*see* chapter 44). Also, *Carbon and Alloy Steels*, published in 1996 by ASM International, a major materials society, indicates that HSLA steels are not considered to be alloy steels, but are in fact similar to as-rolled mild-carbon steel and are generally priced by reference to the base price for carbon steels (*see* page 29). *Carbon and Alloy Steels* also distinguishes between carbon-boron and alloy-boron steels; the former may contain boron at levels which would classify it as alloy under the HTSUS, but would not classify it as an alloy steel commercially because, unlike the alloy-boron steels, higher levels of other alloying elements are not specified (*see, e.g.*, pages 159 and 161).

The Department has considered that, with respect to certain steel products, such as HSLA, the petitioners indicate that these steel products are manufactured by similar processes, are priced from similar bases, are marketed in comparable ways, and are used for similar applications as carbon steels.

Further, we confirmed this description with product experts at the Department and the International Trade Commission (ITC). Other than the fact that the AISI technically defines alloy steels based on alloy levels comparable to those in the HTSUS, none of the individuals cited reasons why the products in question might be treated as distinct from cut-to-length carbon steels. For these reasons, the Department determines that for purposes of this investigation, the domestic like product definition is the single domestic like product defined in the ''Scope of the Investigation'' section above.

Based on our analysis of the information and arguments presented to the Department and the information independently obtained and reviewed by the Department, we have determined that there is a single domestic like product which is defined in the ''Scope of the Investigation'' section above. Moreover, the Department has determined that the petition (and subsequent amendments to the petition) and supplemental information obtained through Department research contain adequate evidence of industry support and, therefore, polling is unnecessary. The Department received no opposition to the petition. The petitioners established industry support representing over 50 percent of total production of the domestic like product.

Therefore, for this investigation, petitioners have established a level of support for the petition commensurate with the statutory requirements. Accordingly, the Department determines that the petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act. *See* the March 8, 1999, memoranda to the file regarding the initiation of this investigation (public documents on file in the Central Records Unit of the Department of Commerce, Room B–099).

Injury Test

The Former Yugoslav Republic of Macedonia is not a ''Subsidies Agreement country'' within the meaning of section 701(b) of the Act. Therefore, the International Trade Commission (ITC) is not required to determine whether imports of the subject merchandise from the Former Yugoslav Republic of Macedonia materially injure or threaten material injury to a U.S. industry.

Initiation of Countervailing Duty Investigation

Section 702(b) of the Act requires the Department to initiate a countervailing duty proceeding whenever an interested party files a petition, on behalf of an industry, that (1) alleges the elements necessary for an imposition of a duty under section 701(a), and (2) is accompanied by information reasonably available to petitioners supporting the allegations. Because the Former Yugoslav Republic of Macedonia is not a Subsidies Agreement country, the requirements of section 701(a)(2), which relate to injury, do not apply to this proceeding.

The Department has examined the petition on CTL plate from the Former Yugoslav Republic of Macedonia and has found that it complies with the requirements of section 702(b) of the Act. Therefore, in accordance with section 702(b) of the Act, we are initiating a countervailing duty investigation to determine whether manufacturers, producers, or exporters of CTL plate from the Former Yugoslav Republic of Macedonia received countervailable subsidies during the period of investigation (POI), January 1, 1998 through December 31, 1998. *See* the March 8, 1999, memoranda to the file regarding the initiation of this investigation (public documents on file in the Central Records Unit of the Department of Commerce, Room B–099).

Company History

Petitioners have made specific subsidy allegations with respect to one CLT producer: Rudnici i Zelezara, known as ''Makstil.'' Makstil is the spun-off entity from Skopje Steel Works (''Skopje''), a state-owned steel company. During 1996, the Government of the Former Yugoslav Republic of Macedonia spun-off Skopje into thirteen companies to prepare for privatization. Makstil received Skopje's CTL plate production. In 1997, Makstil was privatized when a Swiss-Italian trading company, Duferco, purchased a majority interest in Makstil with the remaining shares sold to other private investors.

Programs

We are including in our investigation the following programs alleged in the petition to have provided countervailable subsidies to producers and exporters of the subject merchandise in the Former Yugoslav Republic of Macedonia:

Government of Yugoslavia Programs (Prior to July 1991)

1. *''Gains on Money'':* We will investigate whether the producer/exporter of subject merchandise received loans that were still outstanding during 1998, at negative real interest rates, or whether the producer/exporter had debt forgiven in order to prevent financial losses.

2. *''Quasi-subsidies'':* We will investigate whether non-recurring subsidies were provided through the Yugoslavian system of income redistribution, which appears to be a complex system of inflationary accounting methods and involuntary transfers of funds between profitable and unprofitable enterprises.

Government of the Former Yugoslav Republic of Macedonia Programs (After July 1991)

1. Subsidies Provided to Enterprises That Are ''Restructuring''

With respect to this allegation, we will investigate whether countervailable subsidies were provided to Makstil or Skopje Steel in conjunction with the government's economic restructuring and privatization program. Petitioners have also alleged that Makstil and Skopje Steel were unequityworthy and uncreditworthy. They have submitted sufficient information to provide a reasonable basis to believe or suspect that the companies were unequityworthy and uncreditworthy. Therefore, we will investigate whether the producer Makstil or the predecessor company Skopje Steel was unequityworthy from 1994 through 1998. In addition, we will investigate whether Skopje/Makstil was uncreditworthy during those years.

2. Export Subsidies From the Export-Import Bank

We will investigate whether countervailable benefits were provided by the Former Yugoslav Republic of Macedonia's newly developed Export-Import Bank in the form of: (1) Loans provided at subsidized rates; (2) rediscounted export loans; or (3) loan guarantees for export loans. With regard to export insurance, according to section 351.520(a)(1) of the Department's regulations, export insurance confers a benefit, ''if the premium rates charged are inadequate to cover the long-term operating costs and losses of the program.'' The petition provides no information to indicate that the rates may be insufficient to cover long-term operating costs and losses. Therefore, we will not investigate this subsidy allegation.

We are also not including in our investigation the following programs alleged to be benefitting producers and exporters of the subject merchandise in the Former Yugoslav Republic of Macedonia:

1. ''Formal Subsidies''

Petitioners allege that formal subsidies, *i.e.*, direct grants from the Government of Yugoslavia given to companies to ''prevent or lessen financial losses'' continue to confer benefits in the POI. Petitioners rely solely on a World Bank study as evidence of these direct subsidy programs. However, the same World Bank study specifically states that there was a ''virtual absence of direct government subsidies to firms'' and that ''such subsidies have been virtually nonexistent in the Yugoslav economy for more than two decades.'' In addition, this World Bank study indicates that no ''formal subsidies'' were provided to the Macedonian region. Because the information submitted by petitioner does not support their allegation that direct subsidies were conferred by the Government of Yugoslavia, we are not initiating an investigation of this program.

2. The National Bank's Division for Export and Export Stimulation

The petitioners allege that producers and exporters may be receiving export-based benefits from the National Bank of the Republic of Macedonia Division for Export and Export Stimulation. Because petitioners provided no information to indicate that this division of the National Bank provides subsidies, we are not initiating an investigation of this program.

Distribution of Copies of the Petition

In accordance with section 702(b)(4)(A)(i) of the Act, copies of the public version of the petition have been provided to representatives of the Former Yugoslav Republic of Macedonia. We will attempt to provide copies of the public version of the petition to all of the exporters named in the petition, as provided for under § 351.203(c)(2) of the Department's regulations.

ITC Notification

Pursuant to section 702(d) of the Act, we have notified the ITC of this initiation. However, according to section 701(c) of the Act, the ITC will not make an injury determination with respect to the Former Yugoslav Republic of Macedonia.

This notice is published pursuant to section 777(i) of the Act.

Dated: March 8, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–6294 Filed 3–15–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–427–817, C–533–818, C–560–806, C–475–827, C–580–837]

Notice of Initiation of Countervailing Duty Investigations: Certain Cut-To-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea

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

EFFECTIVE DATE: March 16, 1999.

FOR FURTHER INFORMATION CONTACT: Eric Greynolds (France), at (202) 482–6071; Robert Copyak (India), at (202) 482–2209; Kathleen Lockard (Indonesia), at (202) 482–1168; Kristen Johnson (Italy), at (202) 482–4406; and Stephanie Moore (Republic of Korea), at (202) 482–3692, Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Initiation of Investigations

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR part 351 (1998) and to the substantive countervailing duty regulations published in the **Federal Register** on November 25, 1998 (63 FR 65348).

The Petitions

On February 16, 1999, the Department of Commerce (the Department) received petitions filed in proper form on behalf of U.S. Steel Group, a Unit of USX Corporation, Bethlehem Steel Corporation, Gulf States, Inc., IPSCO Steel Inc., Tuscaloosa Steel Corporation, and the United Steelworkers of America (the petitioners). Tuscaloosa Steel Corporation is not a petitioner to the countervailing duty investigations involving France and Italy. Supplements to the petitions were filed