

connectors produced in a designated beneficiary developing country under the Generalized System of Preferences (GSP) qualified as substantially transformed constituent materials of the electrical cable to which they were attached for purposes of the 35% value-content requirement under the GSP. The production of the connectors involved machining brass rod into contact pins and then joining the contact pins with plastic connector housings. Customs held that, while the initial fabrication of the contact pins from brass rod resulted in a substantial transformation, neither the subsequent assembly of the contact pins with connector housings to create the electrical connectors nor the later assembly of the electrical connectors with the cable resulted in a second substantial transformation. We stated that these are considered simple assembly operations which will not result in a substantial transformation, as they involve a small number of components and do not appear to require a considerable amount of time, skill, attention-to-detail, or quality control.

Similarly, in the instant case, we find that neither the U.S.-origin fiber optic cable nor the Japanese-origin ferrule undergoes a substantial transformation in China as a result of the assembly operations performed there to create the FIP cable assemblies. These are considered simple assembly operations involving only a small number of components. In considering the last country in which the FIP cable assembly underwent a substantial transformation, it is our opinion that the cable assembly's characteristics are primarily imparted at the time that the fiber optic cable is manufactured in the U.S. The fibers making up the cable serve as the transmission medium through which light signals travel. Therefore, the country of origin of the imported FIP cable assemblies is the U.S.

#### *ST MM Epoxy Connector*

In your submission, you state that the assembly operation for the ST MM Epoxy Connector is substantially similar to that described above for the FIP cable assembly connector. Based on the reasoning cited above and as found in HRL 556020, it is our opinion that the assembly is relatively simple and only involves a small number of components. Therefore, in considering the last country in which the connectors underwent a substantial transformation, we believe that the connector's characteristics are primarily imparted by the ferrule which provides the structure and enclosure for the fiber optical cable at the point of connectivity. Therefore, the country of origin of the MM Epoxy Connector is Japan.

#### **HOLDING**

Based on the facts presented, joining the Chinese-origin connectors to the U.S.-origin fiber optic cable in China to create the GGP patch cords does not constitute a substantial transformation. As a result, the imported GGP patch cord is a product of the United States for government procurement purposes under 19 CFR Part 177, Subpart B.

Based on the facts presented, the assembly of the connectors and the subsequent assembly of the connectors to the fiber optic

cable in China to produce the FIP cable assembly does not result in a substantial transformation. Therefore, as the very essence of the cable is imparted by the fiber optical cable, the FIP cable assembly is a product of the United States for government procurement purposes.

Based on the facts presented, the assembly of the ST MM epoxy connector in China does not result in a substantial transformation. Therefore, as the very essence of the connector is imparted by the ferrule, the connector is a product of Japan for government procurement purposes.

Notice of this final determination will be given in the **Federal Register** as required by 19 CFR 177.29. Any party-at-interest other than the party which requested this final determination may request, pursuant to 19 CFR 177.31, that CBP reexamine the matter anew and issue a new final determination.

Any party-at-interest may, within 30 days after publication of the **Federal Register** notice referenced above, seek judicial review of this final determination before the Court of International Trade.

Sincerely,

Michael T. Schmitz,  
*Assistant Commissioner, Office of  
Regulations and Rulings*

[FR Doc. 03-21010 Filed 8-18-03; 8:45 am]

**BILLING CODE 4820-02-P**

## **INTERNATIONAL TRADE COMMISSION**

[Investigation No. 332-457]

### **Economywide Simulation Modeling: Technical Analysis of the Free Trade Area of the Americas**

**AGENCY:** International Trade  
Commission.

**ACTION:** Institution of investigation.

**SUMMARY:** Following receipt on July 21, 2003, of a request from the United States Trade Representative (USTR) under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332 (g)), the Commission instituted investigation No. 332-457, *Economywide Simulation Modeling: Technical Analysis of the Free Trade Area of the Americas*.

*Background:* The USTR stated that the purpose of the investigation and report is to assist the Administration in examining the economic impacts that might result from the Free Trade Area of the Americas (FTAA) by attempting to link large-scale models. As requested by the USTR, the Commission will provide a report to the USTR containing the following:

(1) Changes in production, trade, and prices that may be associated with implementation of the Free Trade Area of the Americas (FTAA) with specified regional and sectoral aggregations, as estimated using the Commission's U.S.

CGE (computable general equilibrium) Model, and

(2) trade policy changes to be used with specified regional and sectoral aggregations, as employed in the Global Trade Analysis Project (GTAP) CGE Model.

As requested by the USTR, the Commission will provide its report no later than 6 months from the date of receipt of the letter. The USTR stated that the Commission's analytical products and working papers in this investigation are to be classified as confidential and that the USTR considers the Commission's analytical products to be inter-agency memoranda that will contain pre-decisional advice subject to the deliberative process privilege. Accordingly, the Commission does not plan to issue a public report.

By way of background, the USTR noted the ongoing FTAA negotiations and that the Administration is conducting an environmental review of the proposed trade agreement. The USTR also referenced efforts connected to this review involving the Commission, the Environmental Protection Agency, and the U.S. Department of Agriculture, Economic Research Service, to link large-scale models, on an experimental basis, in order to estimate and examine aspects of the environmental effects of the trade agreement. Additional information on this review process can be found on USTR's Web site (<http://www.ustr.gov/environment/analysis.pdf>).

**EFFECTIVE DATE:** August 11, 2003.

#### **FOR FURTHER INFORMATION CONTACT:**

(1) Project Manager, William Donnelly (202-205-3225 or [wdonnelly@usitc.gov](mailto:wdonnelly@usitc.gov))  
(2) Deputy Project Manager, David Ingersoll (202-205-2218 or [ingersoll@usitc.gov](mailto:ingersoll@usitc.gov))

Mr. Donnelly is in the Commission's Office of Economics and Mr. Ingersoll is in the Commission's Office of Industries. For information on legal aspects of the investigation, contact William Gearhart of the Commission's Office of the General Counsel at 202-205-3091 or [wgearhart@usitc.gov](mailto:wgearhart@usitc.gov).

*Written Submissions:* The Commission does not plan to hold a public hearing in this investigation. However, interested persons are invited to submit written statements concerning the investigation. Written statements should be received by the close of business on October 1, 2003. Commercial or financial information which a submitter desires the Commission to treat as confidential must be submitted on separate sheets of paper, each clearly marked "Confidential Business Information" at

the top. All submissions requesting confidential treatment must conform with the requirements of section 201.6 of the Commission's *Rules of Practice and Procedure* (19 CFR 201.6). All written submissions, except for confidential business information, will be made available for inspection by interested persons. The Commission may include such confidential business information in the report it sends to USTR. All submissions should be addressed to the Secretary at the Commission's office in Washington, DC. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's Rules (19 CFR 201.18) (see Handbook for Electronic Filing Procedures, [ftp://ftp.usitc.gov/pub/reports/electronic\\_filing\\_handbook.pdf](ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf)). Hearing-impaired individuals are advised that information on this matter can be obtained by contacting our TDD terminal on (202) 205-1810.

Issued: August 13, 2003.

By order of the Commission.

**Marilyn R. Abbott,**  
Secretary.

[FR Doc. 03-21201 Filed 8-18-03; 8:45 am]

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## INTERNATIONAL TRADE COMMISSION

[Investigations Nos. 731-TA-1014 and 1017 (Final)]

### Polyvinyl Alcohol From China and Korea

**AGENCY:** International Trade Commission.

**ACTION:** Revised schedule for the subject investigations.

**DATES:** August 13, 2003.

**FOR FURTHER INFORMATION CONTACT:** Debra Baker (202-205-3180), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for these investigations may be viewed on

the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

**SUPPLEMENTARY INFORMATION:** On March 20, 2003, the Department of Commerce (Commerce) made its preliminary determinations for China (68 FR 13674) and Korea (68 FR 13681). On April 14, 2003, the Commission accordingly established a schedule for the conduct of the final phase of the subject investigations (68 FR 17964). On August 11, 2003, Commerce made its final determinations for China (68 FR 47538) and Korea (68 FR 47540). The Commission, therefore, is revising its schedule to conform with the statutory deadlines established by the date of publication in the **Federal Register** of Commerce's final determinations.

The Commission's new schedule for the investigations is as follows: A supplemental staff report will be placed in the nonpublic record on August 27, 2003, and party comments on the supplemental staff report and on Commerce's final determinations are due on September 4, 2003. Party comments may not exceed 20 pages of textual material, double-spaced and single-sided, on stationery measuring 8½ x 11 inches, and shall otherwise satisfy the requirements of section 207.30(b) of the Commission's rules.

For further information concerning these investigations see the Commission's notice cited above and the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A and C (19 CFR part 207).

**Authority:** These investigations are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.21 of the Commission's rules.

Issued: August 13, 2003.

By order of the Commission.

**Marilyn R. Abbott,**  
Secretary.

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## DEPARTMENT OF LABOR

### Employee Benefits Security Administration

[Prohibited Transaction Exemption (PTE) 2003-26, Exemption Application Numbers D-11137, 11138, and 11139]

### Northwest Airlines Pension Plan for Salaried Employees (Salaried Plan), the Northwest Airlines Pension Plan for Pilot Employees (Pilot Plan), and the Northwest Airlines Pension Plan for Contract Employees (Contract Plan) (Collectively, the Plans), Located in Eagan, MN

**AGENCY:** Employee Benefits Security Administration, Department of Labor.

**ACTION:** Grant of individual exemption.

**SUMMARY:** This document contains a final exemption issued by the Department of Labor (the Department) from certain prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (ERISA or the Act) and from certain taxes imposed by the Internal Revenue Code of 1986 (the Code).

The exemption permits: (1) The in-kind contribution(s) of the common stock of Pinnacle Airlines Corp.<sup>1</sup> (Pinnacle Stock) to the Plans by Northwest Airlines, Inc. (Northwest), a party in interest with respect to such Plans; (2) the holding of the Pinnacle Stock by the Plans; (3) the sale of the Pinnacle Stock by the Plans to Northwest; (4) the acquisition, holding, and exercise by the Plans of a put option (the Put Option) granted to the Plans by Northwest; and (5) the guaranty to the Plans by Northwest Airlines Corporation (NWA Corp.) of Northwest's obligation to honor the Put Option (the Exemption Transactions). The exemption affects participants and beneficiaries of, and fiduciaries with respect to, the Plans.

**DATES:** This exemption is effective as of January 15, 2003.

**FOR FURTHER INFORMATION CONTACT:** Wendy M. McColough of the Office of Exemption Determinations, Employee Benefits Security Administration, U.S. Department of Labor, telephone (202) 693-8540. (This is not a toll-free number.)

**SUPPLEMENTARY INFORMATION:** On January 17, 2003, the Department published a notice in the **Federal Register** (68 FR 2578) of a proposed individual exemption (the Proposed Exemption). The Proposed Exemption was requested in an application filed on

<sup>1</sup> Pinnacle Airlines Corp. is the holding company of Pinnacle Airlines, Inc.