protective orders (APOs) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d)(1). Timely written notification of the 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 in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: February 1, 1996.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 96–3066 Filed 2–9–96; 8:45 am]

BILLING CODE 3510–DS–P

[C–401–401]

Certain Carbon Steel Products From Sweden; Final Results of Countervailing Duty Administrative Review

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

ACTION: Notice of Final Results of Countervailing Duty Administrative Review.

SUMMARY: On August 24, 1995, the Department of Commerce (the Department) published in the Federal Register its preliminary results of administrative review of the countervailing duty order on certain carbon steel products from Sweden for the period January 1, 1993 through December 31, 1993. We have completed this review and determine the net subsidy to be 2.98 percent *ad valorem* for all companies. We will instruct the U.S. Customs Service to assess countervailing duties as indicated above.

EFFECTIVE DATE: February 12, 1996.

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or Gayle Longest, 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) 482–2849; (202) 482–3338.

SUPPLEMENTARY INFORMATION:

Background

On August 24, 1995, Department published in the Federal Register (60 FR 44014) the preliminary results of its administrative review of the countervailing duty order on certain carbon steel products from Sweden. The Department has now completed this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

We invited interested parties to comment on the preliminary results. On September 25, 1995, a case brief was submitted on behalf of U.S. Steel Group, a unit of USX Corporation, petitioner. On October 2, 1995, rebuttal comments were submitted by SSAB Svenskt Stal AB (SSAB), respondent.

The review covers the period January 1, 1993 through December 31, 1993. The review involves one company, SSAB, the sole known producer/exporter of the subject merchandise during the review period, and nine programs.

Applicable Statute and Regulations

The Department is conducting this administrative review in accordance with section 751(a) of 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. However, references to the Department's *Countervailing Duties; Notice of Proposed Rulemaking and Request for Public Comments,* 54 FR 23366 (May 31, 1989) (*Proposed Regulations*), are provided solely for further explanation of the Department's countervailing duty practice. Although the Department has withdrawn the particular rulemaking proceeding pursuant to which the *Proposed Regulations* were issued, the subject matter of these regulations is being considered in connection with an ongoing rulemaking proceeding which, among other things, is intended to conform the Department's regulations to the Uruguay Round Agreements Act. *See* 60 FR 80 (Jan. 3, 1995).

Scope of the Review

Imports covered by this review are shipments of certain carbon steel products from Sweden. These products include cold-rolled carbon steel, flat-rolled products, whether or not corrugated or crimped; whether or not corrugated or crimped: whether or not pickled, not cut, not pressed and not stamped to non-rectangular shape; not coated or pleated with metal and not clad; over 12 inches in width and of any thickness; whether or not in coils. During the review period, such merchandise was classifiable under the *Harmonized Tariff Schedule* (HTS) item number 7209.11.0000, 7209.12.0000, 7209.13.0000, 7209.21.0000, 7209.22.0000, 7209.23.0000, 7209.24.5000, 7209.31.0000, 7209.32.0000, 7209.33.0000, 7209.34.0000, 7209.41.0000, 7209.43.0000, 7209.44.0000, 7209.90.0000, 7211.30.5000, 7211.41.7000 and 7211.49.5000.

The HTS item numbers are provided for convenience and customs purposes. The written description remains dispositive.

Calculation Methodology for Assessment and Cash Deposit Purposes

Because SSAB is the only manufacturer/exporter of the subject merchandise to the United States, SSAB's net subsidy rate is also the country-wide rate.

Privatization

SSAB was partially privatized twice, in 1987 and in 1989. In the *Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Sweden* (58 FR 37385; July 9, 1993) (*Final Determination*), the Department found that SSAB had received countervailable subsidies prior to these partial privatizations. Further, the Department found that a private party purchasing all or part of a government-owned company can repay prior subsidies on behalf of the company as part or all of the sales price (*see* the General Issues Appendix appended to the *Final Countervailing Duty Determination: Certain Steel Products from Austria* (58 FR 37217, at 37262; July 9, 1993) (*General Issues Appendix*)). Therefore, to the extent that a portion of the sales price paid for a privatized company can be reasonably attributed to prior subsidies, that portion of those subsidies will be extinguished.

To calculate the subsidies remaining with SSAB after each partial privatization, we performed the following calculations. We first calculated the net present value (NPV) of the future benefit stream of the subsidies at the time of the sale of the shares. We then multiplied the NPV by the percentage of shares the government retained after the sale and derived the amount of subsidies not affected by privatization. Next, we estimated the portion of the purchase price which represents repayment of prior subsidies in accordance with the methodology described in the ''Privatization'' section of the *General Issues Appendix* (58 FR at 37259). This amount was then subtracted from the NPV, and the result was divided by the NPV to calculate the ratio representing the amount of subsidies remaining with SSAB after each partial privatization.

With respect to sale of ''productive units'' by SSAB, we have followed the

same methodology used in the *Final Determination* (58 FR 37385). In accordance with that methodology, a portion of the price paid when a productive unit is sold is allocable to the repayment of subsidies received in prior years by the seller of the productive unit. The subsidies allocated to the POR have been reduced for all of the programs, as described above. These subsidies were further adjusted by the asset value of the productive unit. For a further explanation of the Department's methodology regarding ''sales of productive units'' and these calculations, see the ''Restructuring'' section of the *General Issues Appendix* (58 FR at 37265).

To calculate the benefit provided to SSAB, we multiplied the benefit calculated for 1993, adjusted for sales of productive units, by the ratio representing the amount of subsidies remaining with SSAB after the partial privatization. We then divided the results by the company's total sales in 1993.

Analysis of Programs

Based upon our analysis of the questionnaire responses, verification, and written comments from the interested parties, we determine the following:

I. Programs Conferring Subsidies

1. *Equity Infusion*

In the preliminary results we found that this program conferred countervailable benefits on the subject merchandise. Our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our preliminary finding that the net subsidy for this program is 0.82 percent *ad valorem*.

2. *Structural Loans*

In the preliminary results we found that this program conferred countervailable benefits on the subject merchandise. Our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our preliminary finding that the net subsidy for this program is 0.38 percent *ad valorem*.

3. *Forgiven Reconstruction Loans*

In the preliminary results we found that this program conferred countervailable benefits on the subject merchandise. Our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our preliminary finding that the net subsidy for this program is 1.77 percent *ad valorem*.

4. *Grants for Temporary Employment for Public Works*

In the preliminary results we found that this program conferred countervailable benefits on the subject merchandise. Our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our preliminary findings that the net subsidy for this program is 0.01 percent *ad valorem*.

II. Program Found Not To Confer Subsidies

In the preliminary results we found the Research & Development (R&D) Loans and Grants program did not confer countervailable benefits during this period of review. Our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our preliminary findings.

III. Programs Found Not To Be Used

In the preliminary results we found the following programs to be not used:

1. Regional Development Grants
2. Transportation Grants
3. Location-of-Industry Loans

Our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our preliminary findings.

IV. Program Found To Be Terminated

In the preliminary results we found the State Stockpiling Subsidies program to be terminated. Our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our preliminary findings.

Analysis of Comments

Comment 1: Petitioner argues that the Department's privatization methodology is contrary to economic reality and the requirements of the countervailing duty law. According to petitioner, the Department's determination that privatization ''repays'' a portion of the subsidies received before privatization is contrary to economic reality because the resources provided by the government to SSAB, which the market would not have provided, still remain with SSAB after privatization and continue to benefit the production of the merchandise. No resources were transferred from SSAB to the Government of Sweden (GOS). Furthermore, they contend that the Department's privatization methodology is contrary to the countervailing duty law because the countervailing duty statute, 19 U.S.C. § 1671(a), requires that subsidies bestowed upon the production, manufacture, or exportation of merchandise imported into the United States be countervailed. Since the subsidies received by SSAB continue to benefit its production of the subject merchandise after the partial privatizations, these subsidies continue to be fully countervailable.

The respondent argues in rebuttal that the new shareholders' arm's length purchases result in the repayment of prior subsidies as a matter of economic reality and as a result of the functional identity between a company and its shareholders in the context of privatization.

Department's Position: We disagree with petitioner. The Department previously addressed this issue in the *Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Sweden* (58 FR 37385, July 9, 1993) (*Final Determination*) and in the General Issues Appendix appended to the *Final Affirmative Countervailing Duty Determination: Certain Steel Products from Austria* (58 FR 37261–2, July 9, 1993) (*General Issues Appendix*). In this proceeding, petitioner has not submitted any new arguments which would warrant reconsideration of this issue.

Comment 2: Petitioner argues that the Department's privatization methodology is flawed and not supported by facts. Petitioner contends that the basis of the Department's methodology is that purchasers of shares in a subsidized company paid more for those shares than they would otherwise have absent subsidization; that because the new owners are presumably profit-maximizers, the privatized firm must now generate a reasonable rate of return on the owner's investment; and that to the extent that the new owners invested more in the company because of the subsidies, the company presumably faces an obligation to generate more earnings so as to provide a reasonable rate of return. Petitioner argues that this premise is incorrect, and that the Department is confusing countervailable subsidy benefits with the effects of subsidies on the value of the company. Petitioner also argues that the Department's repayment methodology assumes that private investors have different expectations than government investors, however the Department offers no evidence to support this assumption. Finally, petitioner argues that if the repayment methodology applies to purchases of shares in state-owned companies, it must also apply to purchases of shares in private companies that have received subsidies.

Department's Position: The arguments presented by the petitioner have been previously addressed by the

Department. *See General Issues Appendix* (58 FR 37217, at 37259, 37264). In this proceeding petitioner has presented no new evidence or arguments regarding this issue that would warrant reconsideration of the Department's determination that past subsidies bestowed upon SSAB are affected by privatization. Thus, the Department's preliminary results remain unchanged with respect to this issue.

We note, however, that petitioner went beyond the Department's position in outlining their interpretation of the basis of the Department's methodology by stating that ''purchasers of shares in a subsidized company paid more for those shares than they would have, and that to the extent that the new owners invested more in the company because of the subsidies, the company presumably faces an obligation to generate more earnings to provide a reasonable rate of return.'' The Department neither stated nor implied such a position. The Department has stated that the owner-shareholders' expectations of a return on their investment cannot be separated from the profitability of the newly privatized company, and that the owners will seek to extract a rate of return from their company at least equal to that of alternative investments of similar risk. The Department also stated that to the extent that a portion of the price paid for a privatized company can reasonably be attributed to prior subsidies, that portion of those subsidies will be extinguished. *See General Issues Appendix* (58 FR 37217, at 37262).

Comment 3: Petitioner contends that the Department's privatization methodology was rejected by the Court of International Trade (CIT) in *British Steel plc* v. *United States, British Steel plc* v. *U.S.,* 879 F. Supp. 1254 (CIT 1995) (*British Steel*). Petitioner contends that in *British Steel,* the court stated that it would seem at best that the only way to extinguish a previously given gift or subsidy would be to repay the gift or subsidy to the original donor government. To the extent that the sale of shares involves only a change in the beneficial ownership of the company, it does not cause any change in the company itself and no such repayment occurs.

Petitioner also contends that although the CIT's statements in *British Steel* regarding repayment are dicta, in the final remand determinations in *British Steel,* the Department accepted the CIT's reasoning and abandoned its repayment methodology. Therefore, the petitioner argues that because SSAB has not repaid the GOS for prior subsidies, such benefits remain with the company, and are countervailable.

Respondent contends that because the CIT has yet to issue its final judgment in *British Steel,* it is inappropriate to even suggest that the CIT's opinion has any bearing on this case.

Department's Position: We disagree with petitioner. The CIT has not entered an order with respect to the remand determinations in *British Steel.* The Department is not required to follow a CIT opinion that is still subject to litigation and to which the Department has not acquiesced. In such instances, the Department does not change its methodology while litigation is pending. *See, Color Television Receivers from the Republic of Korea: Final Results of Antidumping Duty Administrative Review.* (59 FR 13700, at 13702; March 23, 1994). Therefore, we have followed our privatization methodology as set forth in the *Final Determination.*

Comment 4: Petitioner argues that the Department has failed to explain the logic underlying its privatization methodology. Specifically, petitioner argues that the Department has failed to explain why a ratio of the subsidies received by a company each year to the company's net worth in that year serves as a ''reasonable surrogate'' for the percentage of the company's net value that the subsidies represent, and how a simple arithmetic average of these ratios relates to the value of the subsidies at the time the company is sold, much less to the extinguishment of subsidy benefits.

Respondent argues that the Department has substantial discretion and wide latitude in developing reasonable methodologies to properly implement the countervailing duty law. As a factual matter, the Department has adequately explained the bases for its repayment formula in the *General Issues Appendix.*

Department's Position: As explained in the *General Issues Appendix,* the methodology applied by the Department attempts to estimate the proportion of the purchase price attributable to subsidies. The ratio, cited by petitioner, represents, in the Department's view, the most reasonable approach to that estimation. In arguing the issue of the impact of privatization upon formerly government-owned companies which previously benefitted from subsidies, petitioners in the *Final Determination* stated that privatization does not affect the amount of subsidies allocable to the privatized steel companies, while respondents argued that privatization of a government-owned company extinguishes any pre-existing subsidies. The Department considered, but ultimately rejected, both of these extreme positions. The Department determined that prior subsidies are allocable to the privatized companies upon their sale to private parties. However, it also concluded that a portion of the price paid by the private parties constituted repayment for the subsidies previously bestowed on the formerly government-owned companies.

The Department recognized that any methodology developed to determine what portion of the sales price constituted repayment for prior subsidies would yield only a rough estimate.

In attempting to estimate that portion of the purchase price attributable to prior subsidies, the Department concluded that the most reasonable approach was to look at the ratio of the privatized company's subsidies (over time) to the company's net worth during the period from 1977 (the earliest point at which subsidies providing countervailable benefits in the period of investigation could have been bestowed) until the year before privatization. The subsidy-to-net worth ratio is intended to provide the Department with an estimate of the contribution subsidies have made to the value of a company.

Final Results of Review

For the period January 1, 1993 through December 31, 1993, we determine the net subsidy to be 2.98 percent *ad valorem* for all companies.

The Department will instruct the U.S. Customs Service to assess the following countervailing duties:

Manufacturer/exporter	Rate
SSAB Svenskt Stal AB	2.98
Country-wide rate	2.98

The Department will also instruct the U.S. Customs Service to collect a cash deposit of estimated countervailing duties of 2.98 percent of the f.o.b. invoice price on all shipments of the subject merchandise from Sweden, entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review.

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 C.F.R. 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 in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 355.22.

Dated: January 30, 1996.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 96–3067 Filed 2–9–96; 8:45 am]

BILLING CODE 3510–DS–P

[C–401–804]

Certain Cut-to-Length Carbon Steel Plate From Sweden; Final Results of Countervailing Duty Administrative Review

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

ACTION: Notice of final results of Countervailing Duty Administrative Review.

SUMMARY: On August 24, 1995, the Department of Commerce (the Department) published in the Federal Register its preliminary results of administrative review of the countervailing duty order on certain cut-to-length carbon steel plate from Sweden for the period December 7, 1992 through December 31, 1993. We have completed this review and determine the net subsidy to be 2.98 percent *ad valorem* for all companies for the periods December 7, 1992 through April 5, 1993, and August 17, 1993 through December 31, 1993. Merchandise entered on or after April 6, 1993 and before August 17, 1993 is to be liquidated without regard to countervailing duties.

EFFECTIVE DATE: February 12, 1996.

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or Gayle Longest, Office of Countervailing Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–2849; (202) 482–3338.

SUPPLEMENTARY INFORMATION:

BACKGROUND

On August 24, 1995, the Department published in the Federal Register (60 FR 44017) the preliminary results of its administrative review of the countervailing duty order on certain cut-to-length carbon steel plate from Sweden. The Department has now completed this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

We invited interested parties to comment on the preliminary results. On September 25, 1995, a case brief was submitted on behalf of Bethlehem Steel Corporation, Geneva Steel, Gulf States Steel Inc. of Alabama, Inland Steel Industries, Inc., Lukens Steel Company, Sharon Steel Corporation, and U.S. Steel Group, a unit of USX Corporation (petitioners). On October 2, 1995, rebuttal comments were submitted by SSAB Svenskt Stal AB (SSAB) (respondent).

The review covers the period December 7, 1992 through December 31, 1993. The review involves one company, SSAB, the sole known producer/exporter of the subject merchandise during the review period, and ten programs.

Because the period of review (POR) covers only three weeks in 1992 (December 7 through December 31, 1992), the Department determined that it was appropriate to apply the assessment rate calculated for 1993 to exports made during the three-week period. *See, Memorandum for Joseph A. Spetrini from the Steel Team* dated October 3, 1994, regarding calculation of the assessment rate in the first administrative reviews of the Certain Steel Countervailing Duty Orders, which is on file in the Central Records Unit, Room B–099 of the Department of Commerce.

Applicable Statute and Regulations

The Department is conducting this administrative review in accordance with section 751(a) of 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. However, references to the Department's *Countervailing Duties; Notice of Proposed Rulemaking and Request for Public Comments*, 54 FR 23366 (May 31, 1989) (*Proposed Regulations*), are provided solely for further explanation of the Department's countervailing duty practice. Although the Department has withdrawn the particular rulemaking proceeding pursuant to which the *Proposed Regulations* were issued, the subject matter of these regulations is being considered in connection with an ongoing rulemaking proceeding which, among other things, is intended to conform the Department's regulations to the Uruguay Round Agreements Act. *See* 60 FR 80 (Jan. 3, 1995).

Scope of the Review

Imports covered by this review are shipments of certain cut-to-length carbon steel plate from Sweden. These products include hot-rolled carbon steel universal mill plates (i.e., flat-rolled products rolled on four faces or in a closed box pass, of a width or in a closed box pass, or a width exceeding 150 millimeters but not exceeding 1,250 millimeters and of a thickness of not less than 4 millimeters and of a thickness of not less than 4 millimeters, not in coils and without patterns in relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain hot-rolled carbon steel flat-rolled products in straight lengths, or rectangular shape, hot rolled, neither clad, plated, nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances, 4.75 millimeters or more in thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness. During the review period, such merchandise was classifiable under the *Harmonized Tariff Schedule* (HTS) item numbers 7208.31.0000, 7208.32.0000, 7208.33.1000, 7208.33.5000, 7208.41.000, 7208.42.0000, 7208.43.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.11.0000, 7211.12.0000, 7211.21.0000, 7211.22.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000. Included in this order are flat-rolled products of non-rectangular cross-section where 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. Excluded from this order is grade X–70 plate. The HTS item numbers are provided for convenience and customs purposes. The written description remains dispositive.

Calculation Methodology for Assessment and Cash Deposit Purposes

Because SSAB is the only manufacturer/exporter of the subject merchandise to the United States, SSAB's net subsidy rate is also the country-wide rate.

Privatization

SSAB was partially privatized twice, in 1987 and in 1989. In the *Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Sweden* (58 FR 37385; July 9, 1993) (*Final Determination*), the