antidumping dumping duties on entries of merchandise covered by the determination and for future deposits of estimated duties.

Furthermore, the following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of PTFE resin from Italy entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for Ausimont will be the rate established in the final results of administrative review; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in the original less than fair value (LTFV) investigation or a previous review, the cash deposit will continue to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received a company-specific rate; (3) if the exporter is not a firm covered in this review, a previous review, or the original investigation, but the manufacturer is, the cash deposit rate will be that established for the manufacturer of the merchandise in the final results of this review or the LTFV investigation; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review, the cash deposit rate will be 46.46 percent, the ''all others'' rate established in the LTFV investigation (50 FR 26019, June 24, 1985).

This notice also serves as a preliminary reminder to importers of their responsibility to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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 353.22 (1996).

Dated: May 5, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97–12506 Filed 5–12–97; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–489–501]

Certain Welded Carbon Steel Pipe and Tube From Turkey: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Preliminary Results of Antidumping Duty Administrative Review.

SUMMARY: In response to a request by petitioner and one respondent, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain welded carbon steel pipe and tube from Turkey(A–489–501). This review covers two manufacturers/exporters of the subject merchandise to the United States during the period of review (POR): May 1, 1993, through April 30, 1994.

We have preliminarily determined that sales have been made below the foreign market value (FMV) for Borusan. We preliminarily determine no dumping margin exists for Yucelboru during the POR. If these preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs to assess antidumping duties equal to the difference between the United States price (USP) and the FMV.

Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding are requested to submit with the argument: (1) A statement of the issue; and (2) a brief summary of the argument.

EFFECTIVE DATE: May 13, 1997.

FOR FURTHER INFORMATION CONTACT: Ilissa Kabak, Nancy Decker, Robin Gray or Linda Ludwig, Enforcement Group III–Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Room 7866, Washington, D.C. 20230; telephone (202) 482–0182 (Kabak), (202) 482–1324 (Decker), (202) 482–0196 (Gray), or (202) 482–3833 (Ludwig).

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and to the Department's regulations are references to the provisions as they existed on December 31, 1994.

Background

The Department published an antidumping duty order on certain welded carbon steel pipe and tube from Turkey on May 15, 1986 (51 FR 17784). The Department published a notice of ''Opportunity to Request an Administrative Review'' of the antidumping duty order on May 4, 1994 (59 FR 23051). On May 31, 1994, the petitioners, Allied Tube & Conduit Corporation (''Allied'') and Wheatland Tube Co. (''Wheatland'') requested an administrative review of Borusan Group (''Borusan'') and all related entities (including, but not limited to, Borusan Holding A.S., Borusan Gemlik Boru Tesisleri A.S., Borusan Boru Sanayii A.S., Istikbal Ticaret A.S., Borusan Ihracat Ithalat ve Dagitim A.S., and Tubeco Pipe and Steel Corporation) and of Mannesmann-Sumerbank Boru Endustrisi T.A.S. (''Mannesmann''). On May 31, 1994, respondent Yucelboru Ihracat, Ithalat ve Pazarlama A.S. (''Yucelboru'') requested an administrative review. We initiated this review on June 15, 1994. *See* 59 FR 30770. On April 20, 1995, Mannesmann stated that they did not have any shipments during the POR.

The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of the Review

Imports covered by this review are shipments of certain welded carbon steel standard pipe and tube products with an outside diameter of 0.375 inch or more but not over 16 inches, of any wall thickness, currently classifiable under the following Harmonized Tariff Schedule (HTS) subheadings: 7306.3010.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. These products commonly referred to in the industry as standard pipe and tube, are produced to various American Society for Testing and Materials (ASTM) specifications, most notably A–120, A–53 or A–135. These HTS item numbers are provided for convenience and customs purposes. The written descriptions remain dispositive.

The POR is May 1, 1993 through April 30, 1994. This review covers sales of certain welded carbon steel pipe and tube by Borusan and Yucelboru.

Verification

As provided in section 782(i)(3) of the Act, we verified information provided by the respondents using standard verification procedures, including on-site inspection of the manufacturer's

facilities, the examination of relevant sales, cost of production and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the public versions of the verification reports.

Product Comparisons

In accordance with section 771(16) of the Act, we considered each welded carbon steel pipe and tube product produced by Borusan or Yucelboru, covered by the descriptions in the ''Scope of the Review'' section of this notice, *supra*, and sold in the home market during the POR, to be a foreign like product for purposes of determining appropriate product comparisons to U.S. sales of certain welded carbon steel pipe and tube. For each of the products produced by Borusan or Yucelboru within the scope of the A–489–501 order, we examined the categories of merchandise listed in section 771 (16) of the Act for purposes of model matching. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics listed in Appendix V of the Department's February 24, 1995 antidumping questionnaire. In making the product comparisons, we matched each foreign like product based on the physical characteristics and level of trade reported by the respondent. For Borusan, we determined that there is one U.S. level of trade and three home market levels of trade: wholesaler/distributor, retailer, end-user. Yucelboru had no level of trade distinctions in either market.

Where sales were made in the home market on a different weight basis from the U.S. market (e.g., theoretical versus actual weight), we converted all quantities to the same weight basis, using the conversion factors supplied by the company, before making our fair-value comparisons. We compared individual U.S. transactions to monthly weighted average FMVs.

Date of Sale

For Borusan, in the home market we treated the date of invoice, which is generally the same as the date of shipment, as the date of sale. In the United States, Borusan reported the date of the purchase order or sales contract, whenever the terms are firmly set, as date of the sale. Yucelboru reported date of invoice (which is also date of shipment) as the date of sale in both markets.

Fair Value Comparisons

To determine whether sales of pipe and tube to the United States were made at less than fair value, we compared the U.S. price to the FMV, as described in the ''United States Price'' and ''Foreign Market Value'' sections of this notice.

Turkey experienced a significant inflation rate of over 125 percent, as measured by the wholesale price index published in the *International Financial Statistics*, during the POR. In accordance with our practice, to avoid the distortions caused by the effects of this level of inflation on prices, we limited our comparisons to sales in the same month. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Steel Concrete Reinforcing Bars from Turkey, 62 FR 9737,9738 (March 4, 1997) (''Steel Bars'')*. When the rate of home market inflation is significant, as it is in this case, it is important that we use as a basis for FMV home market prices that are as contemporaneous as possible with the date of the U.S. sale. This is to minimize the extent to which calculated dumping margins are overstated or understated due solely to price inflation that occurred in the intervening time period between the U.S. and home market sales. For this reason, we have used the daily exchange rates for currency conversion purposes.

The Department's preferred source for daily exchange rates is the Federal Reserve Bank. However, the Federal Reserve Bank does not track or publish exchange rates for the Turkish lira. Therefore, we made currency conversions based on the daily exchange rates from the Dow Jones Service, as published in the Wall Street Journal. (*Steel Bars*, at 9741).

United States Price

All of Borusan's sales were based on the price to the first unrelated purchaser in the United States. The Department determined that purchase price, as defined in section 772 of the Tariff Act, was the appropriate basis for calculating USP. We made adjustments to purchase price, where appropriate, for foreign inland freight and insurance, international freight and charges, credit, and other direct selling expenses including bank commissions. We added the amount of countervailing duties related to export subsidies and the amount for duty drawback. Additionally, we deducted payments made by Borusan to its U.S. customers equal to the amount of countervailing duties. We disallowed Borusan's claimed value-added tax drawback because no statutory authority exists for such an adjustment.

All of Yucelboru's sales were based on the price to the first unrelated purchaser in the United States. The Department determined that purchase price, as defined in section 772 of the Tariff Act, was the appropriate basis for calculating USP. We made adjustments to purchase price, where appropriate, for foreign inland freight, foreign and U.S. brokerage and handling, ocean freight, and U.S. duties. We relied on Yucelboru's reported data except for foreign brokerage and handling, which was revised as a result of verification.

Foreign Market Value

For both Borusan and Yucelboru we determined that the home market was viable, based on a comparison of the volume of home market and third country sales. Therefore, in accordance with section 773(a)(1)(A) of the Tariff Act, we based FMV on the packed, delivered price to unrelated purchasers in the home market.

We made adjustments to FMV for differences in cost attributable to differences in physical characteristics of the merchandise, pursuant to section 773(a)(6)(C)(ii) of the Act.

Cost-of-Production Analysis

Petitioners alleged, on January 11, 1996, that Borusan sold certain welded carbon steel pipe and tube in the home market at prices below COP. Based on this allegation, in accordance with section 773(b) of the Act, the Department determined, on December 4, 1996, that it had reasonable grounds to believe or suspect that Borusan had sold the subject merchandise in the home market at prices below COP. *See* Letter to Dickstein, Shapiro, Morin & Oshinsky and Decision Memorandum (December 4, 1996). We therefore initiated a cost investigation with regard to Borusan in order to determine whether the respondent made home-market sales at prices below its COP within the meaning of section 773(b) of the Act.

We requested Yucelboru to respond to our cost questionnaire, dated February 24, 1995, in order to determine whether the respondent made home-market sales at prices below its COP within the meaning of section 773(b) of the Act.

In accordance with 19 CFR 353.51(c), we calculated COP for Borusan and Yucelboru as the sum of reported cost of manufacturing (COM) and general expenses. We compared COP to home market prices, net of price adjustments, discounts and rebates, and movement expenses.

In accordance with section 773(b) of the Tariff Act, in determining whether

to disregard home market sales made at prices below the COP, we examined whether such sales were made in substantial quantities over an extended period of time, and whether such sales were made at prices which permitted recovery of all costs within a reasonable period of time in the normal course of trade.

As noted above, we determined that the Turkish economy experienced significant inflation during the POR. Therefore, in order to avoid the distortive effect of inflation on our comparison of costs and prices, in accordance with our practice in such cases we requested that Borusan and Yucelboru submit monthly production costs incurred during each month of the POR. *Notice of Preliminary Results of Antidumping Duty Administrative Review: Certain Welded Carbon Steel Pipe and Tube from Turkey* (61 FR 35188, 35191 (July 5, 1996)). We used the companies' adjusted monthly COP amounts and the wholesale price index to calculate a weighted-average cost for each product for each company. The weighted-average COM was then restated in the currency value of each respective month and used to calculate monthly COP and CV for each product.

In accordance with our normal practice, for each model for which less than 10 percent, by quantity, of the home market sales during the POR were made at prices below COP, we included all sales of that model in the computation of FMV. For each model for which 10 percent or more, but less than 90 percent, of the home market sales during the POR were priced below COP, we excluded those sales priced below COP, provided that they were made over an extended period of time. For each model for which 90 percent or more of the home market sales during the POR were priced below COP and were made over an extended period of time, we disregarded all sales of that model in our calculation and, in accordance with section 773(b) of the Tariff Act, we used the constructed value (CV) of those models, as described below. *See, e.g., Mechanical Transfer Presses from Japan, Final Results of Antidumping Duty Administrative Review*, 59 FR 9958 (March 2, 1994).

In accordance with section 773(b)(1) of the Tariff Act, to determine whether sales below cost had been made over an extended period of time, we compared the number of months in which sales below cost occurred for a particular model to the number of months in which that model was sold. If the model was sold in fewer than three months, we did not disregard below-cost sales unless there were below-cost sales of that model in each month. If a model was sold in three or more months, we did not disregard below-cost sales unless there were sales below cost in at least three of the months. *See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan-Final Results of Antidumping Duty Administrative Reviews*, 58 FR 64720, 64729 (December 8, 1993).

Because Borusan and Yucelboru provided no indication that their below-cost sales of models within the ''greater than 90 percent'' and the ''between 10 and 90 percent'' categories were at prices that would permit recovery of all costs within a reasonable period of time and in the normal course of trade, we disregarded those sales of models within the ''10 to 90 percent'' category which were made below cost over an extended period of time. In addition, as a result of our COP test for home market sales of models within the ''greater than 90 percent'' category, we based FMV on CV for all U.S. sales for which more than 90 percent of sales of the comparison home market model occurred below COP. Finally, where we found, for certain of Borusan's and Yucelboru's models, home market sales for which less than 10 percent were made below COP, we used all home market sales of these models in our comparisons.

We also used CV as FMV for those U.S. sales for which there was no sale of such or similar merchandise in the home market. In accordance with section 773(e) of the Tariff Act, we calculated CV as the sum of the COM, general expenses and profit. Where the general expenses were less than the statutory minimum of 10 percent of COM, we calculated general expenses as 10 percent of the COM. Where the actual profits were less than the statutory minimum of 8 percent of the COM plus general expenses, we calculated profit as 8 percent of the sum of COM plus general expenses.

Based on our verification of Yucelboru's cost response, we adjusted Yucelboru's reported COP and CV to reflect certain adjustments to general and administrative expenses, indirect selling expenses, and interest expenses. Based on our verification of Borusan's cost response, we adjusted Borusan's reported COP and CV to reflect certain adjustments to general and administrative expenses and interest expenses.

In accordance with section 773 of the Tariff Act, for Borusan's U.S. models for which we were able to find a home market such or similar match that had sufficient above-cost sales, we calculated FMV based on the packed, F.O.B., ex-factory, or delivered prices to unrelated purchasers in the home market or prices to affiliated customers which were determined to be at arm's length (*See* discussion below regarding these sales). We made adjustments, where applicable, for inland freight, pre-sale warehouse expense, discounts and rebates, post-sale inland freight and for home market direct expenses. We added collection of late payment charges. We also adjusted FMV for differences in circumstances of sale, including physical characteristics, direct selling expenses, credit, advertising, warranty, packing costs, and the Turkish value added tax. Where merchandise exported to the United States is exempt from home market consumption tax, in comparing FMV to USP, we added to U.S. price the absolute amount of such taxes charged on the comparison sales in the home market.

For Yucelboru's U.S. models for which we were able to find a home market such or similar match that had sufficient above-cost sales, we calculated FMV based on the packed, F.O.B., ex-factory, or delivered prices to unrelated purchasers in the home market. We made adjustments, where applicable, for discounts and rebates. We disallowed Yucelboru's claimed credit adjustment (*See* the Department's April 15, 1997, Analysis Memorandum). We also adjusted FMV for differences in circumstances of sale, including physical characteristics, packing costs, and the Turkish value added tax. Where merchandise exported to the United States is exempt from home market consumption tax, in comparing FMV to USP, we added to U.S. price the absolute amount of such taxes charged on the comparison sales in the home market.

In calculating for physical differences in merchandise we calculated simple average variable and total costs of manufacturing by product after indexing the reported monthly costs using the wholesale price index for Turkey. We then indexed the average variable and total costs of manufacturing to restate them in the currency value of each respective month. The adjusted monthly variable costs of manufacturing for U.S. and home market products were then compared to arrive at the difference in merchandise adjustment.

To determine whether Borusan and Yucelboru's sales were made at arm's length, we compared the gross unit prices of sales to related and unrelated customers net of all movement charges, direct and indirect selling expenses, and

packing (*See Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Steel Flat Products from Argentina* (58 FR 37062, 37077, July 9, 1993)). We included those sales that passed the arm's length test in our analysis (see 19 CFR 353.45(a)).

Reimbursement

Section 353.26 of the regulations states that ''[I]n calculating the United States price, the Secretary will deduct the amount of any antidumping duty which the producer or reseller: (i) Paid directly on behalf of the importer; or (ii) reimbursed to the importer.'' The Statement of Administrative Action of the Uruguay Round Agreements Act, in addressing the issue of reimbursement, states that ''[C]ommerce has the full authority under its current regulations (19 CFR 353.26) to increase the duty when an exporter directly pays the duties due, or reimburses the importer, whether independent or affiliated, for the importer's payment of duties.'' In *Color Television Receivers from the Republic of Korea: Final Results of Antidumping Duty Administrative Reviews*, 61 FR 4408, 4410 (February 6, 1996), Commerce stated the following:

> In effect, antidumping duties raise prices of subject merchandise to importers, thereby providing a level playing field upon which injured U.S. industries can compete. The remedial effect of the law is defeated, however, where exporters themselves pay antidumping duties, or reimburse importers for such duties.

Since we found no evidence that the conditions mentioned above exist with respect to these companies, we did not apply § 353.26 of our regulations.

Preliminary Results of Review

As a result of our comparison of USP to FMV we preliminarily determine that the following margin exists:

CERTAIN WELDED CARBON STEEL PIPE AND TUBE FROM TURKEY

Producer/manufacturer/exporter	Weighted-average margin
Borusan	8.55%
Yucelboru	0%

Interested parties may request disclosure within 5 days of the date of publication of this notice and may request a hearing within 10 days of publication. Any hearing, if requested, will be held 44 days after the date of publication or the first business day thereafter. Case briefs and/or written comments from interested parties may be submitted no later than 30 days after the date of publication. Rebuttal briefs and rebuttals to written comments, limited to issues raised in those comments, may be filed not later than 37 days after the date of publication of this notice. The Department will publish the final results of these administrative reviews including the results of its analysis of issues raised in any such written comments or at a hearing.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between the USP and FMV may vary from the percentages stated above.

Furthermore, the following deposit requirements will be effective for all of Yucelboru's shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided for by section 751(a)(1) of the Tariff Act. A cash deposit of estimated antidumping duties shall be required on shipments of review of the antidumping duty order on certain welded carbon steel pipe and tube from Turkey as follows: (1) The cash deposit rate for Yucelboru will be the rate established in the final results of this review; (2) for Borusan and previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this review, the cash deposit rate will be 14.74 percent. This is the ''all others'' rate from the LTFV investigation. *See Antidumping Duty Order; Welded Carbon Steel Standard Pipe and Tube from Turkey*, 51 FR 17784 (May 15, 1986).

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and this 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: May 5, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97–12507 Filed 5–12–97; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–557–806]

Extruded Rubber Thread from Malaysia; Preliminary Results of Countervailing Duty Administrative Review

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

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

SUMMARY: The Department of Commerce (''the Department'') is conducting an administrative review of the countervailing duty order on extruded rubber thread from Malaysia. For information on the net subsidy for each reviewed company, as well for all non-reviewed companies, *see* the Preliminary Results of Review section of this notice. If the final results remain the same as these preliminary results of administrative review, we will instruct the U.S. Customs Service (''Customs'') to collect cash deposits of countervailing duties as detailed in the Preliminary Results of Review section of this notice. Interested parties are invited to comment on these preliminary results. (See Public Comment section of this notice.)

EFFECTIVE DATE: May 13, 1997.

FOR FURTHER INFORMATION CONTACT: Judy Kornfeld or Richard Herring, Office of CVD/AD Enforcement VI, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–3146 or (202) 482–2786.

SUPPLEMENTARY INFORMATION:

Background

On August 25, 1992, the Department published in the **Federal Register** (57 FR 38472) the countervailing duty order on extruded rubber thread from Malaysia. On August 12, 1996, the Department published a notice of ''Opportunity to Request Administrative Review'' (61 FR 41768) of this countervailing duty order. We received a timely request for review, and we