

preliminary results, the Department intends to notify the GOS that the provisional export charge rate on all exports to the United States with Outward Declarations filed on or after the date of publication of the final results of this administrative review shall be 0.23 percent of the f.o.b. value of the merchandise.

The agreement can remain in force only as long as shipments from the signatories account for at least 85 percent of imports of the subject refrigeration compressors into the United States. Our information indicates that the two signatory companies accounted for 100 percent of imports into the United States from Singapore of this merchandise during the review period.

Parties to the proceeding may request disclosure within 5 days of the date of publication of this notice. Any interested party may request a hearing within 10 days of publication. 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 the case briefs and comments, may be filed not later than 37 days after the date of publication of this notice. Any hearing, if requested, will be held 44 days after the date of publication, or the first workday thereafter. The Department will publish the final results of this administrative review including the results of its analysis of issues raised in any such written comments or at a hearing.

These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review. This administrative review and this notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: December 2, 1997.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-502]

Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe From Turkey; Preliminary Results and Partial Recission of Countervailing Duty Administrative Reviews

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

ACTION: Notice of preliminary results of countervailing duty administrative reviews.

SUMMARY: The Department of Commerce is conducting administrative reviews of the countervailing duty orders on certain welded carbon steel pipes and tubes and welded carbon steel line pipe from Turkey. For information on the net subsidy for each reviewed company for each class or kind of merchandise, as well as for all non-reviewed companies, see the *Preliminary Results of Reviews* section of this notice. If the final results remain the same as these preliminary results of administrative reviews, we will instruct the U.S. Customs Service to assess countervailing duties as detailed in the *Preliminary Results of Reviews* section of this notice. Interested parties are invited to comment on these preliminary results. (See *Public Comment* section of this notice.)

EFFECTIVE DATE: December 9, 1997.

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or Cheri Caddy, Office of Countervailing Duty/Antidumping Enforcement VI, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230; telephone: (202) 482-3692 or (202) 482-2849.

SUPPLEMENTARY INFORMATION:

Background

On March 7, 1986, the Department of Commerce (the Department) published in the **Federal Register** (51 FR 7984) the countervailing duty orders on certain welded carbon steel pipes and tubes (welded pipe and tube) and certain welded carbon steel line pipe (line pipe) from Turkey. On March 7, 1997, the Department published a notice of "Opportunity to Request Administrative Review" (62 FR 10521) of these countervailing duty orders. We received timely requests for reviews from Borusan Birllesik Boru Fabrikalari A.S. (BBBF) and Borusan Ihracat Ithalat ve Dagitim A.S. (Dagitim) (Borusan Group).

We also received a timely request from Wheatland Tube Company and Maverick Tube Corporation (petitioners) to conduct reviews of Erchiyas Boru Sanayii ve Ticaret A.S. (Erbosan), Yucel Boru ve Profil Endustrisi A.S. (Yucel Boru), Bant Boru Sanayii ve Ticaret A.S. (Bant Boru), Erkboru Profil San ve Tic A.S. (Erkboru), Borusan Group, and Mannesmann—Sumerbank Boru Endustrisi T.A.S. (Mannesmann). We initiated the reviews covering the period January 1, 1996 through December 31, 1996 on April 24, 1997 (62 FR 19988).

In accordance with 19 CFR 355.22(a), the review on welded pipe and tube covers Erbosan, Yucel Boru, Bant Boru, Erkboru, and the Borusan Group. The review on line pipe covers Mannesmann, Yucel Boru, Bant Boru, and Erkboru. These reviews also cover 21 programs.

Erbosan, Yucel Boru, Bant Boru and Erkboru reported that they did not export welded pipe and tube or line pipe to the United States during the period of review (POR). Information obtained from the U.S. Customs Service (Customs) confirmed the companies' statements. Therefore, we are rescinding the reviews with respect to Erbosan, Yucel Boru, Bant Boru and Erkboru. The companies subject to these reviews are the Borusan Group for welded pipe and tube and Mannesmann for line pipe. Although the Borusan Group produces both welded pipe and tube and line pipe, they only exported welded pipe and tube to the United States during the POR.

Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act ("URAA") effective January 1, 1995 (the Act). The Department is conducting these administrative reviews in accordance with section 751(a) of the Act.

Scope of Reviews

Imports covered by these reviews are shipments from Turkey of two classes or kinds of merchandise: (1) Certain welded carbon steel pipe and tube, having an outside diameter of 0.375 inch or more, but not over 16 inches, of any wall thickness. These products, commonly referred to in the industry as standard pipe and tube or structural tubing, are produced to various American Society for Testing and Materials (ASTM) specifications, most notably A-53, A-120, A-135, A-500, or A-501; and (2) certain welded carbon steel line pipe with an outside diameter of 0.375 inch or more, but not over 16

inches, and with a wall thickness of not less than .065 inch. These products are produced to various American Petroleum Institute (API) specifications for line pipe, most notably API-L or API-LX. These products are classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) as item numbers 7306.30.10 and 7306.30.50. The HTSUS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

Analysis of Programs

I. Programs Conferring Subsidies

A. Programs Previously Determined to Confer Subsidies

1. *Pre-Shipment Export Credit*: The Export Credit Bank of Turkey (Turk Eximbank) provides short-term pre-shipment export loans to exporters through intermediary commercial banks. The program is designed to support export-related industries from the initial stage of production. Loans are made to exporters who commit to export within a specified period of time. Generally, loans are extended for 120 days for industrial goods and cover 50 to 75 percent of the FOB export value. During the POR, both companies under review were eligible for pre-shipment export loans amounting to 50 percent of the FOB value of exports, for a maximum of 120 days. These loans are denominated in Turkish Lira (TL) and repaid in TL. The interest rate charged on these pre-shipment loans is established by Turk Eximbank and is tied to the Central Bank's rediscount rate.

In the *Final Affirmative Countervailing Duty Determination: Certain Pasta from Turkey* 61 FR 30366 (June 14, 1996) (*Pasta*), and in *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Preliminary Results of Countervailing Duty Administrative Reviews* (62 FR 16782; April 8, 1997) and *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Final Results of Countervailing Duty Administrative Reviews* (62 FR 43984; August 18, 1997) (*Pipe and Tube*), the Department found this program countervailable because receipt of the loans is contingent upon export performance and the interest rate paid on these loans is less than the amount the recipient would pay on a comparable commercial loan. In *Pasta*, we found that these loans were tied to specific destinations; however, in the *Pipe and Tube* reviews, we found these loans to be untied. In *Pipe and Tube*, we verified that although an exporter files

a loan application in which the export destination is listed, the actual destination of the shipments may be different from the one(s) stated in the loan application. The exporter has to show only that an export has taken place, and provide the foreign currency exchange receipts from the commercial bank to close out the loan with Turk Eximbank. Because the loans are not specifically tied to a particular destination at the time of approval, we determined that the pre-shipment loan program is an untied export loan program. *Pipe and Tube* at 43986. No information has been submitted to the record of this review to warrant reconsideration of that finding. Therefore, we preliminarily determine in these reviews that the pre-shipment loan program is an untied export loan program.

Pursuant to section 771(5)(E)(ii) of the Act, a benefit shall be treated as conferred "in the case of a loan, if there is a difference between the amount the recipient of the loan pays on the loan and the amount the recipient would pay on a comparable commercial loan that the recipient could actually obtain on the market." In this case, as the benchmark interest rate, *i.e.*, the rate the recipient would pay on a comparable commercial loan that could actually be obtained by it, we are using company-specific interest rates on comparable commercial loans to calculate the benefit for any pre-shipment loans that were taken out by the Borusan Group or Mannesmann in 1995 and repaid in 1996, and for any pre-shipment loans that were taken out in 1996 and repaid in 1996. Because the rates on commercial loans provided by the Borusan Group and Mannesmann include the customary Bank and Insurance and Services Tax (BIST) of 5 percent of the interest rate and the Resource Utilization Support Fund (RUSF) fee of 6 percent of the interest rate, we have not added these customary bank fees to the benchmark interest rates.

In addition, because Turkey continues to experience persistently high levels of inflation, based on a Consumer Price Index rate of approximately 80 percent during the POR, we also preliminarily determine that it is appropriate to use monthly average short-term interest rates for our benchmark where such rates are available (*see Pasta* at page 30367; *Pipe and Tube* at 43987). In the previous review, when monthly company-specific interest rates were not available, we used monthly average interest rates charged by a commercial bank in Turkey on domestic loans during the POR (*see e.g., Pipe and Tube*

at 16783 and 43984). However, these commercial bank rates are unavailable for this POR.

Accordingly, for Mannesmann, in those months where monthly company-specific interest rates were not available, we used, as the benchmark interest rate, the weighted average interest rate for the closest month preceding and closest month following the month in which the company took out a pre-shipment loan. Using these benchmarks, we continue to find pre-shipment export loans to Mannesmann countervailable because the interest rate charged is less than the rate for comparable commercial loans that the company could actually obtain in the market.

With respect to the Borusan Group, the company did not have monthly company-specific interest rates. However, it did obtain short-term commercial loans on which interest was paid quarterly. As such, we preliminarily determine that it is appropriate to use company-specific quarterly average short-term interest rates as the benchmark interest rates for this company, because, like the monthly rates, these rates incorporate the impact of high inflation. For one month in the POR, where quarterly commercial interest rates were not available, we used the rate from the following quarter as our benchmark. Using these benchmarks, we continue to find pre-shipment export loans to the Borusan Group countervailable because the interest rate charged is less than the rate for comparable commercial loans that the company could actually obtain in the market.

To determine the benefit, we calculated the countervailable subsidy as the difference between actual interest paid on pre-shipment loans during the POR and the interest that would have been paid using the benchmark interest rates. This difference was divided by the company's total export sales during the POR. We adjusted the sales figure to account for foreign exchange differences ("kur farki"), which resulted from the changes in the U.S. dollar/Turkish lira exchange rates. We made the adjustments because despite Turkey's high rate of inflation, Turkish companies do not index any of the figures, other than fixed assets, in their financial statements to account for inflation. Therefore, if we did not make these adjustments, the result would be equivalent to indexing export sales for inflation and thus, would inflate the denominator while the program benefits (the numerator) would remain unindexed. Such a result would unfairly distort the Department's calculation. *Pipe and Tube* at 43988. On this basis,

we preliminarily determine the countervailable subsidy to be 0.19 percent ad valorem for the Borusan Group for welded pipe and tube, and 0.29 percent ad valorem for Mannesmann for line pipe.

2. *Investment Allowances:* The General Incentives Program (GIP) is designed to increase investment in Turkey and to expand the Turkish economy. Under the GIP, companies may apply to the Undersecretariat of Treasury (UT) for investment incentive certificates. The investment incentive certificates entitle the holders to a number of specified benefits, such as investment allowances, related to an investment project. The investment allowance provides companies with a corporate tax exemption of between 30 percent and 100 percent of their total fixed investment depending upon the geographic location, sector and the value of the investment. During the POR, for purposes of GIP, Turkey was divided into three types of geographic regions: (1) Developed; (2) normal; and (3) priority. Companies located in any of the lesser-developed priority regions are entitled to higher rates of deduction than companies located in the developed or normal regions.

Mannesmann and the Borusan Group claimed an investment allowance on their corporate income tax returns filed during the POR. The Borusan Group is located in a region eligible for an investment allowance of 40 percent, while Mannesmann, because it is located in a developed region, is only eligible for the minimum investment allowance of 30 percent, the minimum investment allowance provided to all companies under GIP regardless of location or type of industry. See e.g., *Certain Welded Carbon Steel Pipe and Tube Products from Turkey; Preliminary Results of Countervailing Duty Administrative Review*, 52 FR 47621, 47622 (December 15, 1987), *Certain Welded Carbon Steel Pipe and Tube Products from Turkey; Final Results of Countervailing Duty Administrative Review*, 53 FR 9791 (March 25, 1988), and *Pipe and Tube* at 16784; 43984.

Pursuant to section 771(5A)(D), the Department previously determined that the minimum 30 percent investment allowance provided to all sectors and geographic regions within Turkey is not countervailable because the 30 percent investment allowance is not limited to a specific enterprise or industry or group thereof, nor limited to companies located in specific regions. However, because the Borusan Group received a 40 percent investment allowance, which is 10 percent higher than the minimum 30 percent allowance provided to all

sectors and geographic regions within Turkey, the difference results in a higher tax savings to the company due to its geographic location. Therefore, we preliminarily determine that the 10 percent difference results in a countervailable subsidy. See also *Industrial Phosphoric Acid from Israel; Preliminary Results of Countervailing Duty Administrative Reviews*, 61 FR 8255, 8257 (March 4, 1996) and *Industrial Phosphoric Acid from Israel; Final Results of Countervailing Duty Administrative Reviews*, 61 FR 28841 (June 6, 1996). We also previously determined that the benefits under this program are "recurring" because once a company has a fixed asset investment project approved, it becomes eligible to deduct an investment allowance from its corporate income tax returns; therefore, the receipt of the benefit is automatic and continues year to year. *Pipe and Tube* at 16784 and 43984.

To calculate the benefit for the Borusan Group, we first multiplied its total fixed investment by 10 percent, which is the amount the Borusan Group receives above the 30 percent allowance provided to all industries throughout Turkey. We then computed the company's tax rate. The company paid four separate corporate taxes. These included a 25 percent corporate tax, an interim tax in the amount of 10 percent of the corporate tax, a "stopaj" tax equal to 10 percent of 75 percent of its net taxable income, and a fund tax equal to 10 percent of the "stopaj" tax. The sum of these taxes equals a total corporate tax rate of 35.75 percent. We then multiplied the countervailable portion of the investment allowance deduction by the tax rate of 35.75 percent, and obtained the tax savings for the company. Next, we divided the tax savings by the company's total sales, adjusted for foreign exchange differences, as described above. On this basis, we preliminarily determine the countervailable subsidy to be 0.02 percent ad valorem for the Borusan Group for welded pipe and tube, and zero for Mannesmann for line pipe.

3. *Foreign Exchange Loan Assistance:* The Government of the Republic of Turkey (GRT) Resolution Number: 94/5782, Article 4, effective June 13, 1994 concerning the encouragement of exportation, allows commercial banks to exempt certain fees provided that the loans are used in the financing of exportation and other foreign exchange earning activities. We previously determined that this program is specific and, therefore, countervailable within the meaning of section 771(5A)(B), because the exemption of the fees is

contingent upon export performance. *Pipe and Tube* at 43991.

During the POR, in connection with merchandise exported to the United States, the Borusan Group received and paid interest on a foreign currency loan from a commercial bank and was exempted from paying the BIST fee of 5 percent of the interest rate and the RUSF fee of 6 percent of the principal. Unlike pre-shipment loans that are denominated in TL where the RUSF fee is 6 percent of the interest rate, the RUSF fee for foreign currency loans is calculated as 6 percent of the principal. Mannesmann did not use the foreign exchange loan assistance in connection with merchandise exported to the United States during the POR.

We have previously determined that the BIST and RUSF fee exemptions are a direct transfer of funds from the GRT providing a benefit in the amount of the exemption. *Pipe and Tube* at 43991. We have also determined in *Pipe and Tube* at 16784 and 43984, that the benefits are recurring because once the company obtains a foreign currency loan, it is automatically exempted from paying the fees.

To calculate the benefit for this program, we computed the exempted fees on the interest or principal, where appropriate, of the Borusan Group foreign currency loan. The loan is dollar denominated. Therefore, we converted these exempted fee amounts to TL using the exchange rate in effect during the month in which the loan was received, and divided the result by the company's total exports of the subject merchandise to the United States, adjusted for foreign exchange differences, as described above. In *Pipe and Tube* at 43991, we used the actual interest exchange rate on the foreign exchange loan documentation examined at verification and that was part of the record in that proceeding. However, in this proceeding, no information was available on the record regarding the actual interest exchange rate on the foreign exchange loan. Therefore, we preliminarily determine that the fees were established when the loan was granted, and calculated the benefit using the exchange rate in effect on that date. On this basis, we preliminarily determine the net subsidy to be 0.43 percent ad valorem for the Borusan Group for welded pipe and tube, and zero for Mannesmann for line pipe.

4. *Freight Program:* The GRT Decree number 93/43, effective October 13, 1993, provided freight rebate payments to exporters in the amount of \$50 per ton for merchandise exported on Turkish vessels, and \$30 per ton for merchandise exported on non-Turkish

vessels. In February 1994, pursuant to GRT Decree 94/4, the rebate was capped at 15 percent of the FOB value of the goods (an increase over the original 10 percent cap). Benefits under this program were provided in the form of 30 percent cash and 70 percent treasury bonds with one- and two-year maturity dates. (In the prior review, the examined companies only received two year bonds). Companies were eligible to receive interest on bonds on the one-year anniversary date of the issuance of the bonds and on the date of the maturity of the bonds. The program was terminated on December 31, 1994, and there will be no payments on shipments made after January 1, 1995.

In *Pipe and Tube*, we determined that these cash grants and bonds are countervailable export subsidies within the meaning of section 771(5A)(B) of the Act. The cash grants and bonds are a direct transfer of funds from the GRT providing a benefit in the amount of the cash grants and bonds. We also determined that the benefits under the Freight Program are "recurring," because once a company has exported and submitted documentation to the Central Bank it becomes eligible for the cash grants or bonds. The receipt of benefits is automatic and continued throughout the life of the program. (*Pipe and Tube* at 43990.) See also *Allocation Section of the General Issues Appendix in Final Affirmative Countervailing Duty Determination: Certain Steel Products from Austria* (58 FR 37217, 37268-69, July 9, 1993) ("General Issues Appendix").

During the POR, Mannesmann received cash under the freight rebate program based on exports made between October 1993 and December 1994. Mannesmann also received one- and two-year bonds during the POR with respective maturity dates of 1997 and 1998. The Borusan Group also received cash during the POR based on exports made between October 1993 and December 1994. In addition, the Borusan Group received interest payments during the POR on bonds with maturity dates after the POR.

The Department's practice has been to deem the benefit to be received at the time of export, if the benefit is calculated as a percentage of the FOB value and the amount of the benefit is known at the time of export. See e.g., *Castings* at 44843. Although the benefit under the Freight Program is calculated based on tonnage and not as a percentage of export value, we note that a benefit determined by the amount of the tonnage may also be known at the time of export.

However, as previously determined in *Pipe and Tube*, the facts in this case establish that the exporter did not know the amount of benefit at the time of export. Although the freight payments were stated in U.S. dollars per ton, the benefit was not tied to the U.S. dollar. Therefore, the TL amount ultimately received by the exporter was not necessarily equivalent to U.S. \$50 or U.S. \$30 per ton. In this regard, the freight program at issue differs from the Export Performance Credit program, where the benefits received in TL were tied to the U.S. dollar. Under that program, we found that the exporter knew at the time of export the benefit to be received, because the exporter received the TL equivalent of the U.S. dollar amount, which was based upon a percentage of the FOB value at the time of export. Therefore, although the exporter ultimately received more TL than if the benefit had been paid at the time of export, due to Turkey's high level of inflation, the exporter still received the equivalent in TL of the U.S. dollar amount which was based upon the percent of FOB value and was known at the time of the export. *Pipe and Tube* at 16787 and 43984. In fact, in February 1995, two months after the termination of the Freight Program, the GRT announced that the benefit from this program would be based on the exchange rate that was in effect on December 31, 1994, regardless of when the shipments occurred. Moreover, given the high inflation rate in Turkey at the time of the shipments (based on a CPI rate of approximately 65 percent in 1993, and 114 percent in 1994), and the GRT's decision on the exchange rate, there was no way for the exporter to predict at the time of export what the benefit would be. This position is consistent with the Department's analysis of a similar program in *Pasta* where we determined that the benefit should be treated as having been bestowed when the cash was received rather than earned. (See discussion of *Payments for Exports on Turkish Ships* program in *Pasta* at 30369). As such, we previously determined that the benefits under this program are bestowed when the cash is received with respect to the cash payments, and not when the benefit is earned.

With regard to the bonds portion of the rebate, we previously determined that the benefits from the bonds are bestowed on the date of maturity. See *Pipe and Tube* at 43991. This is due to the fact that, even though there were no restrictions on the sale or transfer of the bonds, because of the rate of inflation, there was no secondary market to allow

exporters to convert their bonds to cash. Therefore, the exporters have no choice but to hold the bonds until maturity. See also *Pasta* at page 30368.

The benefits under the freight program are made on a shipment-by-shipment basis. Therefore, where a benefit is tied or can be tied to exports to the United States, we calculate the *ad valorem* subsidy rate by dividing the benefit by the firm's total exports to the United States, adjusted for foreign exchange differences. See, e.g., *Notice of Final Results of Countervailing Duty Administrative Review: Roses and Other Cut Flowers from Columbia*, 52 FR 48847, 48848 (December 28, 1987). We have calculated the benefit for the Borusan Group and the benefit for Mannesmann from this program by dividing the total amount of freight rebates received during the POR by each respondent for exports to the United States by their total exports to the United States during the POR. On this basis, we preliminarily determine the net subsidy to be 2.61 percent *ad valorem* for the Borusan Group for welded pipe and tube, and 3.36 percent *ad valorem* for Mannesmann for line pipe.

5. *Incentive Premium on Domestically Obtained Goods*: Companies holding investment incentive certificates under the GIP are eligible for a rebate of the 15 percent VAT paid on locally-sourced machinery and equipment. Imported machinery and equipment are subject to the VAT and are not eligible for the rebate. (*Pasta* at 30369). The Department determined in *Pasta* that these VAT rebates are countervailable subsidies within the meaning of section 771(5)(D)(ii) of the Act because the rebates constitute revenue foregone by the GRT, and they provide a benefit in the amount of the VAT savings to the company. Also, they are specific under section 771(5A)(C) because their receipt is contingent upon the use of domestic goods rather than imported goods. Further, the Department determined that the benefits under the Incentive Premium program are "recurring," because once a company has received an investment incentive certificate it becomes eligible for the Incentive Premium benefits. The receipt of benefits is automatic and continues from year to year.

Mannesmann did not use this program during the POR. For the rebates received by the Borusan Group during the POR, we divided the amount received by the company's total sales during the POR, adjusted for foreign exchange differences. On this basis, we preliminarily determine that the net countervailable subsidy to be 0.01 per

cent *ad valorem* for the Borusan Group for welded pipe and tube, and zero for Mannesmann for line pipe.

B. Other Program Preliminarily Determined to Confer Subsidies

Deduction from Taxable Income for Export Revenues: In 1995, the Ministry of Finance amended Article 19 of the Income Tax Law by issuing Section 1 of Article 40, to allow companies that export goods or services to deduct 0.5 percent of their hard currency income derived from these export activities from their corporate income taxes.

We preliminarily determine that this tax exemption is a countervailable subsidy within the meaning of section 771(5)(D)(ii) of the Act. The exemption represents revenue forgone by the GRT and provides a benefit in the amount of the tax savings to the company. Also, the subsidy is specific under section 771(5A)(B) because its receipt is contingent upon export performance. The Borusan Group and Mannesmann claimed this deduction on their tax returns filed during the POR.

To calculate the countervailable subsidy, we divided the tax savings realized during the POR by the company's total export sales during the POR, adjusted for foreign exchange differences. On this basis, we preliminarily determine the countervailable subsidy from this program to be less than 0.005 percent *ad valorem* for the Borusan Group for welded pipe and tube, and 0.16 percent *ad valorem* for Mannesmann for line pipe.

II. Programs Preliminarily Determined to be Not Used

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

1. Resource Utilization Support Fund
2. State Aid for Exports Program
3. Advance Refunds of Tax Savings
4. Export Credit Through the Foreign Trade Corporate Companies Rediscount Credit Facility (Eximbank)
5. Past Performance Related Foreign Currency Export Loans (Eximbank)
6. Export Credit Insurance (Eximbank)
7. Subsidized Turkish Lira Credit Facilities
8. Subsidized Credit for Proportion of Fixed Expenditures
9. Fund Based Credit
10. Export Incentive Certificate Customs Duty & Other Tax Exemptions
11. Resource Utilization Support Premium (RUSP)

12. Regional Subsidies

- a. Additional Refunds of VAT (VAT + 10%)
- b. Postponement of VAT on Imported Goods
- c. Land Allocation (GIP)
- d. Taxes, Fees (Duties), Charge Exemption (GIP)

Preliminary Results of Review

In accordance with 19 C.F.R. section 355.22(c)(4)(ii), we calculated an individual subsidy rate for each producer/exporter subject to each administrative review. For the period January 1, 1996 through December 31, 1996, we preliminarily determine the net subsidy to be as follows:

	Assessment Rate (percent)
Manufacturer/Exporter of Line Pipe	
Mannesmann	3.81
Manufacturer/Exporter of Pipe and Tube	
Borusan Group	3.26

If the final results of these reviews remain the same as these preliminary results, the Department intends to instruct Customs to assess countervailing duties as indicated above. The Department also intends to instruct Customs to collect a cash deposit of 3.26 percent of the f.o.b. invoice price on all shipments of pipe and tube from the Borusan Group, and 3.81 percent of the f.o.b. invoice price on all shipments of line pipe from Mannesmann, entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of these reviews.

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 section 777A(e)(2)(B) of the Act. The requested review will normally cover only those companies specifically named. See 19 CFR section 355.22(a). Pursuant to 19 CFR section 355.22(g), 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) (interpreting 19 CFR section 353.22(e), the antidumping regulation on automatic assessment, which is identical to 19 CFR section 355.22(g)). Therefore, the cash deposit rates for all companies except those covered by these reviews will be unchanged by the results of these reviews.

We will instruct Customs to continue to collect cash deposits for non-reviewed companies under each order at the most recent company-specific or country-wide rate applicable to the company under that order. Accordingly, the cash deposit rates that will be applied to non-reviewed companies covered by these orders are those established in the most recently completed administrative proceeding, conducted pursuant to the statutory provisions that were in effect prior to the URAA amendments. See *Certain Welded Carbon Steel Pipe and Tube Products from Turkey; Final Results of Countervailing Duty Administrative Review*, 53 FR 9791. These rates shall apply to all non-reviewed companies, including those companies for which the reviews are being rescinded, 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 these orders are the cash deposit rates in effect at the time of entry.

Public Comments

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

Representatives of parties to these proceedings may request disclosure of

proprietary information under administrative protective order no later than 10 days after the representative's client or employer becomes a party to the proceeding, but in no event later than the date the case briefs, under 19 CFR section 355.38, are due. The Department will publish the final results of these administrative reviews, including the results of its analysis of issues raised in any case or rebuttal brief or at a hearing.

These administrative reviews and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)).

Dated: December 1, 1997.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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BILLING CODE 3510-DS-P

DEPARTMENT OF DEFENSE

Office of the Secretary

List of Institutions of Higher Education Ineligible for Federal Funds

AGENCY: Department of Defense.

ACTION: Notice.

SUMMARY: This document is published to identify institutions of higher education that are ineligible for contracts and grants by reason of a determination by the Secretary of Defense that the institution prevents military recruiter access to the campus or students or maintains a policy against ROTC. It also implements the requirements set forth in the Omnibus Consolidated Appropriations Act of 1997 and 32 CFR Part 216. Currently, a single institution is ineligible for contracts of grants, the Washington College of Law of American University, Washington, DC.

Recently, William Mitchell College of Law reported modifications to school policies sufficient to merit removal from the list of ineligible schools.

ADDRESSES: Director for Accession Policy, Office of the Assistant Secretary of Defense for Force Management Policy, 4000 Defense Pentagon, Washington, DC 20301-4000.

FOR FURTHER INFORMATION CONTACT: William J. Carr, (703) 697-8444.

SUPPLEMENTARY INFORMATION: On October 6, 1997 (62 FR 52091), the Department of Defense published 32 CFR part 216 as an interim rule. This rule requires that the Department of Defense semi-annually publish a list of the institutions of higher education

ineligible for Federal funds due to a policy or practice that either prohibits, or in effect prevents, the Secretary of Defense from obtaining, for military recruiting purposes, entry to campuses, access to students on campuses, access to directory information on students or that has an anti-ROTC policy. On November 18, 1997 (62 FR 61495), the Department of Defense published a list of the institutions of higher education ineligible for Federal Funding; this listing updates and supersedes that listing.

Dated: December 3, 1997.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 97-32084 Filed 12-8-97; 8:45 am]

BILLING CODE 5000-04-M

DEPARTMENT OF DEFENSE

Office of the Secretary

Executive Committee Meeting of the Defense Advisory Committee on Women in the Services (DACOWITS)

AGENCY: Department of Defense, Advisory Committee on Women in the Services.

ACTION: Notice.

SUMMARY: Pursuant to Section 10(a), Public Law 92-463, as amended, notice is hereby given of a forthcoming Quarterly Executive Committee Meeting of the Defense Advisory Committee on Women in the Services (DACOWITS). The purpose of the Executive Committee Meeting is to provide transitional training to the incoming 1998 Executive Committee members and an awards ceremony for the 1997 Executive Committee members. The Meeting will be open to the public, unless otherwise noted below.

DATES: December 8, 1997, 9:15 a.m.-11:30 a.m.

ADDRESSES: SECDEF Conference Room 3E869, The Pentagon, Washington, DC.

FOR FURTHER INFORMATION CONTACT:

Lieutenant Colonel Kay Troutt, USAF, or CDR Deborah R. Goodwin, USN, DACOWITS and Military Women Matters, OASD (Force Management Policy), 4000 Defense Pentagon, Room 3D749, Washington, DC 20301-4000; telephone (703) 697-2122.

SUPPLEMENTARY INFORMATION: Meeting agenda:

Monday December, 1997

Time	Event
7:10-9:00 a.m.	DACOWITS member's arrive/Breakfast (closed to public).
9:15-9:30 a.m.	Introductions (3E869—SecDef Conf Rm, open to public).
9:30-10:00 a.m.	Executive Committee Transition (open to public).
10:00-11:00 a.m. ..	Subcommittee Reviews (open to public).
11:00-11:30 a.m. ..	Executive Committee Presentations (open to public).
11:30-1:00 p.m.	Lunch (closed to public).
1:30-4:00 p.m.	Transition training for members (closed to public).

Late submission due to scheduling conflict.

Dated: December 2, 1997.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 97-32083 Filed 12-8-97; 8:45 am]

BILLING CODE 5000-04-M

DEPARTMENT OF DEFENSE

Department of the Air Force

HQ USAF Scientific Advisory Board Meeting

The Spring General Board Meeting in support of the HQ USAF Scientific Advisory Board will meet in Colorado Springs, CO, on April 22-24, 1998 from 8:00 a.m. to 5:00 p.m.

The purpose of the meeting is to gather information and receive briefings for 1998 Summer Study.

The meeting will be closed to the public in accordance with Section 552b of Title 5, United States Code, specifically subparagraphs (1) and (4) thereof.

For further information, contact the HQ USAF Scientific Advisory Board Secretariat at (703) 697-8404.

Barbara A. Carmichael,

Alternate Air Force Federal Register Liaison Officer.

[FR Doc. 97-32225 Filed 12-8-97; 8:45 am]

BILLING CODE 3910-01-P

DEPARTMENT OF DEFENSE

Department of the Navy

Record of Decision for the Realignment of the Naval Sea Systems Command

AGENCY: Department of the Navy, DoD.