updates to the service list before filing any submissions. We ask that parties notify the Department in writing of any additions or corrections to the list. We also would appreciate written notification if you no longer represent a party on the service list.

Because deadlines in a sunset review are, in many instances, very short, we urge interested parties to apply for access to proprietary information under administrative protective order (''APO'') immediately following publication in the **Federal Register** of the notice of initiation of the sunset review. The Department's regulations on submission of proprietary information and eligibility to receive access to business proprietary information under APO can be found at 19 CFR 351.304–306 (*see Antidumping and Countervailing Duty Proceedings: Administrative Protective Order Procedures; Procedures for Imposing Sanctions for Violation of a Protective Order,* 63 FR 24391 (May 4, 1998)).

Information Required From Interested Parties:

Domestic interested parties (defined in 19 CFR 351.102 (1998)) wishing to participate in the sunset review must respond not later than 15 days after the date of publication in the **Federal Register** of the notice of initiation by filing a notice of intent to participate. The required contents of the notice of intent to participate are set forth in the *Sunset Regulations* at 19 CFR 351.218(d)(1)(ii). In accordance with the *Sunset Regulations,* if we do not receive a notice of intent to participate from at least one domestic interested party by the 15-day deadline, the Department will automatically revoke the order without further review.

If we receive a notice of intent to participate from a domestic interested party, the *Sunset Regulations* provide that *all parties* wishing to participate in the sunset review must file substantive responses not later than 30 days after the date of publication in the **Federal Register** of the notice of initiation. The required contents of a substantive response are set forth in the *Sunset Regulations* at 19 CFR 351.218(d)(3). Note that certain information requirements differ for foreign and domestic parties. Also, note that the Department's information requirements are distinct from the International Trade Commission's information requirements. Please consult the *Sunset Regulations* for information regarding the Department's conduct of sunset reviews.[1] Please consult the Department's regulations at 19 CFR Part 351 (1998) for definitions of terms and for other general information concerning antidumping and countervailing duty proceedings at the Department.

This notice of initiation is being published in accordance with section 751(c) of the Act and 19 CFR 351.218(c).

Dated: August 27, 1998.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98–23497 Filed 8–31–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–475–819]

Certain Pasta From Italy: Preliminary Results of New Shipper Countervailing Duty Administrative Review

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

ACTION: Notice of Preliminary Results of New Shipper Countervailing Duty Administrative Review.

SUMMARY: The Department of Commerce is conducting a new shipper administrative review of the countervailing duty order on certain pasta from Italy. We preliminarily determine the net subsidy to be 1.14 percent *ad valorem* for CO.R.EX. S.r.L. for the period January 1, 1997 through December 31, 1997. If the final results remain the same as these preliminary results, we will instruct the U.S. Customs Service to assess countervailing duties as detailed in the *Preliminary Results of Review* section of this notice.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: September 1, 1998.

FOR FURTHER INFORMATION CONTACT: Javier Barrientos, Todd Hansen, or Vincent Kane, Office of AD/CVD Enforcement, Group I, Import Administration, U.S. Department of Commerce, Room 3099, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–4207, 482–1276, or 482–2815, respectively.

[1] A number of parties commented that these interim-final regulations provided insufficient time for rebuttals to substantive responses to a notice of initiation (*Sunset Regulations,* 19 CFR 351.218(d)(4)). As provided in 19 CFR 351.302(b) (1998), the Department will consider individual requests for extension of that five-day deadline based upon a showing of good cause.

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. All other references are to the Department of Commerce's (the Department) regulations at 19 CFR Part 351 et. seq., *Antidumping duties: Countervailing Duties; Final Rule,* 62 FR 27296, May 19, 1997, unless otherwise indicated.

Background

On July 23, 1996, the Department published in the **Federal Register** (61 FR 38544) the countervailing duty order on certain pasta from Italy.

On January 16, 1998, the Department received a request from CO.R.EX. S.r.L. (''CO.R.EX.'') for a new shipper review of the countervailing duty order on certain pasta from Italy pursuant to section 751(a)(2)(B) of the Tariff Act of 1930, as amended (''the Act''), and in accordance with 19 CFR 351.214(b) of the Department's regulations.

On February 25, 1998, we initiated a new shipper review for the period January 1, 1997 through December 31, 1997 (63 FR 10590). The review covers an exporter of the subject merchandise, CO.R.EX., and CO.R.EX.'s subcontractor. (CO.R.EX. does not produce pasta but has a subcontractor produce pasta for it from semolina supplied by CO.R.EX.) Also, this review covers 24 programs.

Responses from CO.R.EX. and its subcontractor were received on April 20, 1998, and supplementary responses were received on May 29, June 16, and August 14, 1998.

Scope of the Review

The merchandise under review consists of certain non-egg dry pasta in packages of five pounds (or 2.27 kilograms) or less, whether or not enriched or fortified or containing milk or other optional ingredients such as chopped vegetables, vegetable purees, milk, gluten, diastases, vitamins, coloring and flavorings, and up to two percent egg white. The pasta covered by this scope is typically sold in the retail market, in fiberboard or cardboard cartons or polyethylene or polypropylene bags, of varying dimensions.

Excluded from the scope of this review are refrigerated, frozen, or canned pastas, as well as all forms of egg pasta, with the exception of non-egg dry pasta containing up to two percent egg white. Also excluded are imports of organic pasta from Italy that are accompanied by the appropriate

certificate issued by the Instituto Mediterraneo Di Certificazione, by Bioagricoop Scrl, or by QC&I International Services. Furthermore, multicolored pasta imported in kitchen display bottles of decorative glass, which are sealed with cork or paraffin and bound with raffia, is excluded from the scope of this review.

The merchandise under review is currently classifiable under item 1902.19.20 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this review is dispositive.

Furthermore, on July 30, 1998, the Department issued a scope ruling that multipacks consisting of six one-pound packages of pasta, which are shrinked wrapped into a single package, are within the scope of the orders. (*See* July 30, 1998 letter from Susan H. Kuhbach, Acting Deputy Assistant Secretary for Import Administration to Barbara P. Sidari, Vice President, Joseph A. Sidari Company, Inc.)

Period of Review

The period of review (''POR'') for which we are measuring subsidies is calendar year 1997.

Subsidies Valuation Information

Benchmark for Long-term Loans and Discount Rate: The companies under review did not take out any long-term, fixed-rate, lira-denominated loans or other debt obligations which could be used as benchmarks in any of the years in which grants were received or government loans under investigation were given. In the *Final Affirmative Countervailing Duty Determination; Certain Stainless Steel Wire Rod from Italy,* 63 FR 87,077 (July 29, 1998), the Department determined, based on information gathered during verification, that the Italian ABI prime rate is the most suitable benchmark for long-term financing to Italian companies. Therefore, we used the Italian ABI prime rate increased by the average spread over the ABI prime rate charged by banks on loans to commercial customers as the benchmark for long-term loans and the discount rate.

Allocation Period: In *British Steel plc.* v. *United States,* 879 F.Supp. 1254, 1289 (CIT 1955), the U.S. Court of International Trade (the Court) ruled against the allocation methodology for non-recurring subsidies that the Department had employed for the past decade, which was articulated in the *General Issues Appendix,* appended to the *Final Countervailing Duty Determination; Certain Steel Products from Austria,* 58 FR 37225 (July 9, 1993) (''*GIA*''). In accordance with the Court's remand order, the Department determined that the most reasonable method of deriving the allocation period for nonrecurring subsidies is a company-specific average useful life (''AUL'') of non-renewable physical assets. This remand determination was affirmed by the Court on June 4, 1996. *See British Steel plc* v. *United States,* 929 F.Supp 426, 439 (CIT 1996). Accordingly, the Department has applied this method to determine the appropriate allocation period in this review.

Consistent with our approach in the investigation segment of this proceeding, *Final Affirmative Countervailing Duty Determination: Certain Pasta (''Pasta'') from Italy* (61 FR 30288, June 14, 1996) (''*Pasta from Italy*''), we determined that the Law 64/86 grant received by CO.R.EX.'s subcontractor was non-recurring. For purposes of allocating the Law 64/86 grant, CO.R.EX.'s subcontractor submitted an AUL calculation based on depreciation and asset values of productive assets reported in its financial statements. This AUL was derived by dividing the sum of average gross book value of depreciable fixed assets over the past ten years by the average depreciation charges over this period. We found this calculation to be reasonable and consistent with our company-specific AUL objective. In this manner, an AUL of 22 years was calculated for CO.R.EX.'s subcontractor. We have used this calculated AUL for the allocation period for the Law 64/86 industrial development grant, the only non-recurring subsidy received by respondents.

I. Programs Previously Determined to Confer Subsidies

A. Industrial Development Grants Under Law 64/86

Law 64/86 provided assistance to promote industrial development in the Mezzogiorno. Grants were awarded to companies constructing new plants or expanding or modernizing existing plants. Pasta companies were eligible for grants to expand existing plants but not to establish new plants, because the market for pasta was deemed close to being saturated. Grants were made only after a private credit institution chosen by the applicant made a positive assessment of the project.

In 1992, the Italian Parliament decided to abrogate Law 64/86. This decision became effective in 1993. Projects approved prior to 1993, however, were authorized to receive grant amounts after 1993. CO.R.EX.'s subcontractor benefitted from an industrial development grant during the POR.

In *Pasta from Italy,* the Department determined that these grants provide a countervailable subsidy within the meaning of section 771(5) of the Act. They provided a direct transfer of funds from the Government of Italy (GOI), bestowing a benefit in the amount of the grant. Also, these grants were found to be regionally specific within the meaning of section 771(5A). In this new shipper review, neither the GOI nor the responding companies provided new information which would warrant reconsideration of this determination.

In *Pasta from Italy,* the Department treated these grants as ''non-recurring'' based on the analysis set forth in the Allocation section of the *GIA,* 58 FR at 37225. In the current new shipper review, we have found no reason to depart from this treatment.

In accordance with our past practice, we have allocated the grant, which exceeded 0.5 percent of sales in the year of receipt, over time. (See *GIA* at 58 FR 37226.)

To calculate the countervailable subsidy, we used our standard grant methodology. We divided the benefit attributable to CO.R.EX.'s subcontractor in the POR by its pasta sales. We then attributed a portion of this subsidy to CO.R.EX.'s sales of pasta based on processing fees paid by CO.R.EX to its subcontractor. Thus, we determine the countervailable subsidy for this program to be 0.18 percent *ad valorem* in the POR for CO.R.EX.

B. Social Security Reductions and Exemptions

1. Sgravi Benefits

Pursuant to Law 1089 of October 25, 1968, companies located in the Mezzogiorno were granted a 10 percent reduction in social security contributions for all employees on the payroll as of September 1, 1968, as well as those hired thereafter. Subsequent laws authorized companies located in the Mezzogiorno to take additional reductions in social security contributions for employees hired during later periods, provided that the new hires represented a net increase in the employment level of the company. The additional reductions ranged from 10 to 20 percentage points. Further, for employees hired during the period July 1, 1976 to November 30, 1991, companies located in the Mezzogiorno were granted a full exemption from social security contributions for a period

of 10 years, provided that employment levels showed an increase over a base period.

CO.R.EX.'s subcontractor received Sgravi reductions and exemptions during the POR.

In *Pasta from Italy*, the Department determined that the social security reductions and exemptions were countervailable subsidies within the meaning of section 771(5) of the Act. They represented revenue foregone by the GOI and they conferred a benefit in the amount of the savings received by the companies. Also, they were found to be specific within the meaning of section 771(5A) because they are limited to companies located in the Mezzogiorno. In this review, neither the GOI nor the responding companies provided new information which would warrant reconsideration of this determination.

To calculate the countervailable subsidy, we divided the total savings in social security contributions realized by CO.R.EX.'s subcontractor during the POR by its total sales during the same period. We then attributed a portion of this subsidy to CO.R.EX. based on processing fees paid by CO.R.EX. to its subcontractor. On this basis, we calculated the countervailable subsidy from this program to be 0.01 percent *ad valorem* in 1997 for CO.R.EX.

2. Fiscalizzazione Benefits

In addition to the Sgravi deductions described above, the GOI provides Social Security benefits of another type, called ''Fiscalizzazione.'' Fiscalizzazione is a nationwide measure which provides a reduction of certain social security payments related to health care or insurance. The program provides an equivalent level of deductions throughout Italy for contributions related to tuberculosis, orphans, and pensions. However, the program provides a higher deduction from contributions to the National Health Insurance system for manufacturing enterprises located in southern Italy compared to those located in northern Italy. During the POR, the differential was 3.00 percent of base salary.

CO.R.EX.'s subcontractor received the higher level of Fiscalizzazione deductions available to companies located in the Mezzogiorno during the POR.

In *Pasta from Italy*, the Department determined that the Fiscalizzazione reductions were countervailable subsidies within the meaning of section 771(5) of the Act for companies with operations in southern Italy. They represented revenue foregone by the GOI and conferred a benefit in the amount of the greater savings accruing to the companies in southern Italy. In addition, they were found to be regionally specific within the meaning of section 771(5A). In this review, neither the GOI nor the responding companies provided new information which would warrant reconsideration of this determination.

To calculate the countervailable subsidy, we divided the excess Fiscalizzazione deductions realized by CO.R.EX.'s subcontractor in the POR by its total sales. We then attributed a portion of the subcontractor's subsidy to CO.R.EX. based on processing fees paid by CO.R.EX. to its subcontractor. On this basis, we calculated the countervailable subsidy from this program for CO.R.EX. to be 0.06 percent *ad valorem* in the POR.

3. Law 407/90 Benefits

Law 407/90 grants a two-year exemption from social security taxes when a company hires a worker who has been previously unemployed for a period of two years or more. A 100 percent exemption was allowed for companies in southern Italy. However, companies located in northern Italy received only a 50 percent exemption.

During the POR, CO.R.EX. and its subcontractor received the higher level of Law 407 exemptions available to companies located in the Mezzogiorno.

In *Pasta from Italy*, the Department determined that the 100 percent exemption provided to companies with operations in southern Italy under Law 407 was a countervailable subsidy within the meaning of section 771(5). The 100 percent exemption represented revenue foregone by the GOI and conferred a benefit in the amount of the greater savings accruing to the companies in southern Italy. In addition, it was found to be regionally specific within the meaning of section 771(5A). In this review, neither the GOI nor the responding companies provided new information which would warrant reconsideration of this determination.

To calculate the countervailable subsidy rate, we divided the amount of the Law 407 exemptions realized by CO.R.EX. in excess of the amount available in northern Italy by CO.R.EX.'s sales. We also divided the amount of the Law 407 exemptions realized by CO.R.EX.'s subcontractor in the POR in excess of the amount available in northern Italy by CO.R.EX.'s subcontractor's sales. We then attributed a portion of the subcontractor's subsidy to CO.R.EX. based on processing fees paid by CO.R.EX. to its subcontractor. On this basis, we calculated the countervailable subsidy from this program to be 0.06 percent *ad valorem* in the POR for CO.R.EX.

4. Law 863 Benefits

Law 863 provides for a reduction of social security payments of 25 percent for companies in northern Italy that hire employees who are participating in a training program. Companies in southern Italy receive a 100 percent reduction in social security payments for such employees.

CO.R.EX.'s subcontractor received the higher level of Law 863 reductions available to companies located in the Mezzogiorno during the POR.

In *Pasta from Italy*, the Department determined that the 100 percent reduction for companies with operations in the South were countervailable subsidies within the meaning of section 771(5) of the Act to the extent that they exceeded the reductions for companies in the North. They represented revenue foregone by the GOI and confer a benefit in the amount of the greater savings accruing to the companies in southern Italy. In addition, they are regionally specific within the meaning of section 771(5A). In this review, neither the GOI nor the responding companies provided new information which would warrant reconsideration of this determination.

To calculate the countervailable subsidy, we divided the amount of the Law 863 reductions realized by CO.R.EX.'s subcontractor during the POR in excess of the amount available in northern Italy by its total sales during the same period. We then attributed a portion of this subsidy to CO.R.EX. based on processing fees paid by CO.R.EX. to its subcontractor. On this basis, we calculated the countervailable subsidy from this program to be 0.03 percent *ad valorem* in 1997 for CO.R.EX.

III. Programs Determined To Confer Subsidies in This Review

A. Debt Consolidation Law 341/95

The Ministry of Industry, in accordance with the provisions of Law 341/95, provides interest contributions on medium-term debt consolidation loans to small- and medium-sized companies located in depressed areas. The interest rate on these loans is set at the Bank of Italy's reference rate with the GOI's interest contributions serving to reduce this rate.

CO.R.EX. obtained a Law 341 loan in 1996 and received interest contributions on the loan during the POR.

We preliminarily determine that the loan and interest contributions under

Law 341 are countervailable subsidies within the meaning of section 771(5). They were a direct transfer of funds from the GOI providing a benefit in the amount of the difference between interest paid at the benchmark rate and interest paid by CO.R.EX. after accounting for the GOI's interest contributions. Also, they were found to be regionally specific within the meaning of section 771(5A).

Because the loan received by CO.R.EX. is a long-term loan with a variable interest rate and we did not have a variable benchmark rate, we treated it as a series of short-term loans and calculated the interest savings during the POR to be the sum of the interest contributions received on the loan during the POR and the difference in interest on the loan as calculated at the reference rate and at the benchmark rate. On this basis, we determine the countervailable subsidy for this program to be 0.80 percent *ad valorem* during the POR.

IV. Programs Preliminarily Determined To Be Not Used

We preliminarily determine that CO.R.EX. and its subcontractor did not apply for or receive benefits under the following programs during the POR:

A. VAT Reductions
B. Export Credits Under Law 227/77
C. Capital Grants Under Law 675/77
D. Retraining Grants Under Law 675/77
E. Interest Contributions on Bank Loans Under Law 675/77
F. Interest Grants Financed by IRI Bonds
G. Preferential Financing for Export Promotion Under Law 394/81
H. Corporate Income Tax (IRPEG) Exemptions
I. European Agricultural Guidance and Guarantee Fund
J. Urban Redevelopment Under Law 181
K. Local Income Tax (ILOR) Exemptions
L. Industrial Development Loans Under Law 64/86
M. Export Marketing Grants Under Law 304/90
N. Lump-Sum Interest Payment Under the Sabatini Law for Companies in Southern Italy
O. Remission of Taxes on Export Credit Insurance under Article 33 of Law 227/77
P. European Social Fund
Q. European Regional Development Fund
R. Export Restitution Payments

Preliminary Results of Review

For the period January 1, 1997 through December 31, 1997, we preliminarily determine the net subsidy for CO.R.EX. to be 1.14 percent *ad valorem*. If the final results of this review remain the same as these preliminary results, the Department will instruct the U.S. Customs Service to assess countervailing duties at this net subsidy rate on all entries of the subject merchandise from CO.R.EX. entered on or after January 1, 1997 and on or before December 31, 1997.

The Department also intends to instruct the U.S. Customs Service to collect a cash deposit of estimated countervailing duties of 1.14 percent of the f.o.b. invoice value on all shipments of the subject merchandise from CO.R.EX. entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this new shipper review. The cash deposit rates for all other producers/exporters remain unchanged from the last completed administrative review (see *Final Results of Countervailing Duty Administrative Review: Certain Pasta from Italy* (63 FR 35665, August 14, 1998).)

Public Comment

Parties to this proceeding may request disclosure of the calculation methodology within five days of publication of this notice and interested parties may request a hearing no later than 30 days after the date of publication. Interested parties may submit written arguments in case briefs on these preliminary results within 30 days of the date of publication of these preliminary results. Rebuttal briefs, limited to arguments raised in case briefs, may be submitted five days after the time limit for filing the case brief. Parties who submit written arguments in this proceeding 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 two 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 351.303(f).

Representatives of parties to the proceeding 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 are due.

The Department will publish the final results of this new shipper review, including the results of its analysis of issues raised in any case or rebuttal brief or at a hearing.

This administrative review and notice are in accordance with section 751(a)(2)(B) of the Act and 19 CFR 351.214.

Dated: August 24, 1998.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98–23510 Filed 8–31–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 081198D]

North Pacific Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meeting.

SUMMARY: The North Pacific Fishery Management Council's (NPFMC) Observer Advisory Committee has scheduled a meeting.

DATES: The meeting will be held on September 23–24 1998, beginning at 8:30 a.m. on Wednesday, September 23, 1998.

ADDRESSES: The meeting will be held in the Observer Training Room, Building 4, Alaska Fisheries Science Center, 7600 Sand Point Way NE, Seattle, WA.

Council address: North Pacific Fishery Management Council, 605 W. 4th Ave., Suite 306, Anchorage, AK 99501–2252.

FOR FURTHER INFORMATION CONTACT: Chris Oliver, Phone: 907–271–2809.

SUPPLEMENTARY INFORMATION:

The Committee will continue discussions of observer coverage levels and goals of the program, as well as necessary short-term changes to the existing program while a new fee-based funding mechanism is being developed.

Although other issues not contained in this agenda may come before this committee for discussion, in accordance with the Magnuson-Stevens Fishery Conservation and Management Act, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically listed in this notice.

Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Helen Allen, 907–271–2809, at least 5 working days prior to the meeting date.