

Customer Certification

MINFER shall ensure that all customers of the CTL plate shall certify that the merchandise imported into the United States pursuant to this Agreement shall not be loaned or swapped.

Mill Certification

MINFER shall ensure that all shipments of CTL plate exported to the United States pursuant to this Agreement, shall be accompanied by a copy of the original mill certification, which includes the heat number(s).

C. Sales to Countries Other Than the United States

Pursuant to Section VIII, paragraph A, MINFER will provide country-specific volume and value information for all exports of CTL plate to third countries.

1. Customs Export Declaration Number: Indicates the number(s) related to each shipment.

2. Quantity: Indicate in original units of measure sold and/or entered in metric tons.

3. Date of Sale: The date all essential terms of the order (i.e., price and quantity) become fixed.

4. Sales Order Number(s): Indicate the number(s) relating to each sale and/or entry.

5. Date of Export: Date of Export Certification is issued.

6. Importer of Record: Name and address.

7. Customer: Name and address of the first unaffiliated party purchasing from the Ukrainian producer/exporter.

8. Customer Relationship: Indicate whether the customer is affiliated or unaffiliated.

9. Name of Vessel: Identity of the name of vessel for each shipment to third countries.

10. Other: The identity of any subsequent trading company in the transaction chain pursuant to Section VII.B.

11. Estimated Date of Entry: Date the merchandise entered the third country or the date a book transfer took place.

D. Home Market Sales

Pursuant to Section VIII.A., MINFER will provide home market sales data for those companies which represent substantially all of domestic production of CTL plate. For these companies, the MINFER will report all home market sales of CTL plate for those grades listed in Section IV. C. Of the Agreement.

1. Quantity: Indicate in original units of measure sold and/or entered in metric tons.

2. Date of Sale: The date all essential terms of the order (i.e., price and quantity) become fixed.

3. Sales Order Number(s): Indicate the number(s) relating to each sale.

4. Customer: Name and address of the first unaffiliated party purchasing from the Ukrainian producer.

5. Customer Relationship: Indicate whether the customer is affiliated or unaffiliated.

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DEPARTMENT OF COMMERCE**International Trade Administration**

[A-570-849]

Suspension of Antidumping Duty Investigation: Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China

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

SUMMARY: The Department of Commerce (the Department) has suspended the antidumping investigation on cut-to-length carbon steel plate from the People's Republic of China (PRC). The basis for the suspension is an agreement by the Government of the PRC to restrict the volume of direct and indirect exports to the United States of cut-to-length carbon steel plate from all PRC producers/exporters and to revise its prices to eliminate completely sales of this merchandise to the United States at less than fair value.

EFFECTIVE DATE: October 24, 1997.

FOR FURTHER INFORMATION CONTACT:

Edward Yang, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-3910.

SUPPLEMENTARY INFORMATION:**Background**

On December 3, 1996, the Department initiated an antidumping investigation under section 732 of the Tariff Act of 1930, (the Act), as amended, to determine whether imports of CTL plate from the People's Republic of China are being or are likely to be sold in the United States at less than fair value (61 FR 64051 (December 3, 1996)). On December 19, 1996, the United States International Trade Commission (ITC) notified the Department of its affirmative preliminary threat of injury determination (see ITC Investigation Nos. 731-TA-756). On June 11, 1997, the Department preliminarily determined that CTL plate is being, or is likely to be, sold in the United States at less than fair value (LTFV), as provided in section 733 of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (62 FR 31958, (June 11, 1997)).

The Department and the People's Republic of China initialed a proposed agreement suspending this investigation on September 24, 1997. On September 25, 1997, we invited interested parties to provide written comments on the agreement and received comments from

Geneva Steel, Gulf States Steel, Bethlehem Steel Corp., U.S. Steel Group, United Steel Workers of America, Liaoning, Anshan, Bao Steel, Shanghai Pudong and WISCO.

The Department and the Government of the People's Republic of China signed the final suspension agreement on October 24, 1997.

Scope of the Investigation

See Notice of *Final Determination of Sales at Less than Fair Value: Certain Cut-to-Length Carbon Steel Plate from the People's Republic of China*, signed on October 24, 1997.

Suspension of Investigation

The Department consulted with the parties to the proceeding and has considered the comments submitted with respect to the proposed suspension agreement. In accordance with Section 734 (l) of the Act, we have determined that the agreement will prevent the suppression or undercutting of price levels of domestic products by imports of the merchandise under investigation, that the agreement is in the public interest, and that the agreement can be monitored effectively. See *Public Interest Memorandum*, dated October 24, 1997. We find, therefore, that the criteria for suspension of an investigation pursuant to section 734(l) of the Act have been met. The terms and conditions of this Agreement, signed October 24, 1997, are set forth in Annex 1 to this notice.

Pursuant to section 734(f)(2)(A) of the Act, the suspension of liquidation of all entries of cut-to-length carbon steel plate from the People's Republic of China entered or withdrawn from warehouse, for consumption, as directed in our notice of "Preliminary Determination of Sales at Less Than Fair Value: Cut-to-Length Carbon Steel Plate from the People's Republic of China" and "Postponement of the Final Determination: Cut-to-Length Carbon Steel Plate from the People's Republic of China" is hereby terminated. Any cash deposits on entries of cut-to-length carbon steel plate from the People's Republic of China pursuant to that suspension of liquidation shall be refunded and any bonds shall be released.

On October 14, 1997, we received a request from petitioners requesting that we continue the investigation. We received separate requests for continuation from Bethlehem Steel Corp., U.S. Steel Corp. (A Unit of USX Corporation), and the United Steelworkers of America, interested parties under section 771(9)(D) of the Act. Pursuant to these requests, we have

completed the investigation in accordance with section 734(g) of the Act, and have notified the International Trade Commission (ITC) of our determination. If the ITC's injury determination is negative, the agreement will have no force or effect, and the investigation will be terminated (See section 734(f)(3)(A) of the Act). If the ITC's determination is affirmative, the Department will not issue an antidumping duty order as long as the suspension agreement remains in force (See section 734(f)(3)(B) of the Act).

This notice is published pursuant to section 734(f)(1)(A) of the Act.

Dated: November 7, 1997.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

Annex 1—Agreement Suspending the Antidumping Investigation on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China

For purposes of encouraging free and fair trade in certain cut-to-length carbon steel plate (CTL plate), establishing more normal market relations, and preventing the suppression or undercutting of price levels of the domestic products by imports of the merchandise subject to this Agreement, the United States Department of Commerce ("the Department") and the Government of the People's Republic of China enter into this suspension agreement ("the Agreement").

Pursuant to this Agreement, the Government of the People's Republic of China will restrict the volume of direct and indirect exports to the United States of CTL plate from all Chinese producers/exporters, subject to the terms and provisions set forth below. For any of the deadlines mentioned in this Agreement, the Ministry of Foreign Trade and Economic Cooperation ("MOFTEC") may request an extension which will be considered by the Department if it is received in writing prior to the deadline in question and includes reasons for the extension.

On the basis of this Agreement, pursuant to the provisions of Section 734(1) of the Tariff Act of 1930, as amended, by the Uruguay Round Agreements Act, as effective on January 1, 1995 ("the Act") (19 U.S.C. 1673c(1)), the Department shall suspend its antidumping investigation with respect to CTL plate produced in the People's Republic of China, subject to the terms and provisions set forth below. Further, the Department will instruct the U.S. Customs Service ("Customs") to terminate the suspension of liquidation of, and release any cash deposit or bond

posted on, CTL plate covered by this Agreement as of the effective date of this Agreement.

I. Definitions

For purposes of this Agreement, the following definitions apply:

A. "Date of Export" for imports of CTL plate into the United States shall be considered the date the export license was issued.

B. "Parties to the Proceeding" means any interested party, within the meaning of section 353.2(k) of the Department's Regulations, which actively participates through written submissions of factual information or written argument.

C. "Indirect Exports" means arrangements as defined in Section III.E of this Agreement and exports from the People's Republic of China through one or more third countries, whether or not such exports are further processed, insofar as they remain within the scope of the Agreement, and includes further processing which results in minor alterations, or under certain limited circumstances, as described in Section VII. G., further processing which results in substantial transformation as a result of an attempt to circumvent the Agreement, whether or not such exports are sold in one or more third countries prior to importation into the United States and whether or not the Chinese producer knew the product was destined to enter the United States.

D. For purposes of this Agreement, "United States" shall comprise the customs territory of the United States of America (the 50 States, the District of Columbia and Puerto Rico) and foreign trade zones located in the territory of the United States of America.

E. "For Consumption" means all CTL plate sold to customers, such as, trading companies, distributors, resellers, end-users, or service centers.

F. Customer means an entity, such as a steel service center, reseller, trading company, end-user, etc., which consumes CTL plate as defined in Section I.E.

G. "Date of Sale" is defined as the date on which price and quantity become firm, e.g., the specification date or, in the case of a long-term contract, the date of contract, as recorded in the company's records kept in the ordinary course of business.

H. "Export License" is the document issued by the Ministry of Foreign Trade and Economic Cooperation ("MOFTEC") which must accompany all shipments of CTL plate from the People's Republic of China to the United States, and must contain all of the information enumerated in the

Appendix to this Agreement, except that the categories Date of Entry, Importer of Record, Final Destination, and Other may be omitted if unknown to the MOFTEC and the licensee. An export license shall be required for customs clearance into the United States.

I. "Reference Price" means the price calculated by the Department, as described in Section IV, on a quarterly basis to be used as a floor price for sales of Chinese CTL plate into the United States.

J. "Relevant Period" for the export limits of the Agreement means the period November 1, through October 31 of each year that the Agreement is in effect.

II. Product Coverage

The products covered by this Agreement include hot-rolled iron and non-alloy steel universal mill plates (i.e., flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm and of a thickness of not less than 4 mm, not in coils and without patterns in relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain iron and non-alloy steel flat-rolled products not in coils, of rectangular shape, hot-rolled, neither clad, plated, nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances, 4.75 mm or more in thickness and of a width which exceeds 150 mm and measures at least twice the thickness. Included as subject merchandise in this Agreement are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (i.e., products which have been "worked after rolling")—for example, products which have been bevelled or rounded at the edges. This merchandise is currently classified in the Harmonized Tariff Schedule of the United States (HTS) under item numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000. Although the HTS subheadings are provided for convenience and customs purposes, the written description of the scope of this Agreement is dispositive.

Specifically excluded from subject merchandise within the scope of this Agreement is grade X-70 steel plate.

III. Export Limit

A. The export limit for CTL plate for the first Relevant Period shall be 150,000 metric tons. Until such time as reference prices are agreed to for other grades, only grade A36 may be exported. Of this export limit, not more than 25,000 metric tons may be utilized in selling CTL plate which is 0.375 inches or less in actual or nominal thickness, and not more than 25,000 metric tons may be utilized in selling CTL plate which is three inches or more in actual or nominal thickness. No later than 60 days prior to the end of the first Relevant Period, the Department shall calculate an upward or downward adjustment to the next Relevant Period's quota based upon changes in U.S. apparent consumption for steel plate. U.S. apparent consumption will be calculated using official statistics from the U.S. Census Bureau and data from the American Iron and Steel Institute regarding domestic shipments. The maximum adjustment will be plus or minus no more than 6 percent per Relevant Period, and will be calculated by comparing the most recent twelve months of data for U.S. apparent consumption available to the Department at the time of the calculation to the level of the previous corresponding twelve months of data. The Department will then apply the adjustment to the Relevant Period's export limit. The Department will similarly adjust the export limit every Relevant Period, and the effects of the adjustment will be cumulative. Deductions from the export limits shall be made based on the "Date of Export", as defined in Section I. No more than sixty percent of the export limit for any Relevant Period may be licensed during each half (six-month period) within a given Relevant Period.

B. On and after the effective date of this Agreement, the Government of the People's Republic of China will restrict the volume of direct and indirect exports of CTL plate to the United States, and the transfer and withdrawal from inventory of CTL plate (consistent with the provisions of Section III.D), in accordance with the export limits then in effect.

C. Export licenses may not be issued for more than the entire amount of quota allocated in any given Relevant Period. Any CTL plate exported during a Relevant Period shall not when cumulated with all prior exports in such Relevant Period exceed the export limit for that Relevant Period.

D. Any inventories of CTL plate currently held in the United States by a Chinese legal entity and imported into the United States between November 5, 1996 and the effective date of this Agreement will be subject to the following conditions:

1. Such inventories will not be transferred or withdrawn from inventory for consumption in the United States without an Export License issued by MOFTEC. Any such transfers or withdrawals from inventory shall be deducted from the export limits in effect at the time the Export License is issued.

2. A request for an Export License under this provision shall be accompanied by a report containing the information set forth in the Appendix to this Agreement.

E. Any arrangement involving the exchange, sale, or delivery of CTL plate products from the People's Republic of China, whether or not further processed, to the degree it results in the sale or delivery in the United States of CTL plate from a country other than the People's Republic of China, is subject to the requirements of Section V and will be counted toward the export limits. Any such transaction that does not comply with the requirements of Section V will be deducted from the export limits pursuant to Section VII.

F. Where CTL plate is imported into the United States and is subsequently re-exported or re-packaged and re-exported, the export limits shall be increased by the quantity of product re-exported. Such increase will be applicable to the Relevant Period corresponding to the time of such re-export. Such increase will be applied only after the Department receives, and has the opportunity to verify, evidence demonstrating original importation, any re-packaging, and subsequent exportation. The re-exported material must be identical to the imported material.

G. Export Licenses for a given Relevant Period may not be issued after the expiration of the Relevant Period, except that Export Licenses not so issued may be issued during the first three months of the following Relevant Period, up to a maximum of 15 percent of the export limit for that following Relevant Period. Such "carried-over" quota shall be counted against the export limits applicable to the previous Relevant Period.

Export Licenses for up to 15 percent of the export limits for a subsequent Relevant Period may be issued as early as 45 days prior to the beginning of the subsequent Relevant Period. Such "carried-back" quota shall be counted

against the export limits applicable to the following Relevant Period.

H. For the first 90 days after the effective date of this Agreement, CTL plate shall be admitted into the United States with a temporary Export License.

The volume of any such imports will be deducted from the export limits applicable to the first Relevant Period. A full reporting of any such imports, which must correspond to the United States sales information detailed in the Appendix to this Agreement, must be submitted to the Department no later than 30 days after the conclusion of the 90 day period. This data must be sorted on the basis of date of export and must be set forth on a transaction-specific basis.

IV. Reference Price

A. CTL plate will not be sold below the reference price on the date of sale. Each grade of CTL plate shall have its own reference price, and all such reference prices shall be calculated in the same manner.

B. The reference price issued quarterly by the Department shall be released by October 1, January 1, April 1, and July 1 of each year and shall be effective on November 1, February 1, May 1, and August 1, respectively. The reference price for the first Relevant Period is set forth in Section IV.C. of this Agreement and shall remain effective until revised by the Department pursuant to this paragraph IV.B. Either party is entitled to request consultations regarding the calculation of reference prices.

C. The reference price for the first Relevant Period shall be as follows:

Grade of CTL plate	Reference price
A36	\$350.00 per metric ton.

D. For each subsequent Relevant Period, the reference price will be adjusted on a quarterly basis to reflect the change in the BLS Producer Price Index for carbon steel plate for the most recent three months for which data is available preceding the date on which the reference price is issued. If the last month of the BLS PPI for carbon steel plate for the three-month period preceding the date on which the reference price is issued has fallen by more than 2.6 percent from the average of the first two months of the quarter, the reference price will be adjusted on the basis of the BLS PPI for carbon steel plate for the last month of the three-month period.

E. MOFTEC will ensure that, with respect to merchandise covered by each

Export License, the Chinese unit values of imports of CTL plate into the United States will equal or exceed the reference price at equivalent points in the transaction chain. The reference price will be at a level in the transaction chain as far upstream as possible (i.e., F.O.B Chinese ocean port, (excluding Hong Kong)). MOFTEC will ensure that contracts and all relevant documentation will be available to the Department and will be subject to verification.

F. CTL plate imported after the effective date of the Agreement, exported from the People's Republic of China prior to October 24, 1997 and sold pursuant to a contract in effect on or before August 31, 1997, in which the price to the first unrelated purchaser in the United States is fixed at a specific and definite amount with respect to the import at issue, shall not be subject to reference price restrictions. Consistent with Section III.H, the volume of such imports shall be deducted from the export limits.

V. Export License

A. MOFTEC will restrict the volume of direct and indirect exports of CTL plate to the United States by means of annual quota allocations and Export Licenses. Export Licenses shall be issued by MOFTEC for all direct and indirect exports of CTL plate to the United States in accordance with the export limits in section III and the reference price in section IV.

B. Thirty days following the annual allocation of quota rights for any Relevant Period, MOFTEC shall provide to the Department a written report identifying each quota recipient and the volume of quota which each recipient has been accorded ("report of quota allocation results"). MOFTEC may reallocate the volume of quota among quota recipients without prior approval from the Department, but must inform the Department in writing within thirty days of such reallocation.

C. Before it issues an Export License, MOFTEC will ensure that the Relevant Period's export limit is not exceeded and that the price for the CTL plate is at or above the reference price on the date of sale. The quantity specified on each export license may vary up to ten percent above or below the quantity actually shipped under that license. MOFTEC, however, will ensure that the total amount of CTL plate shipped under such licenses does not exceed the export limit for the Relevant Period.

D. MOFTEC shall take action, including the imposition of penalties, as may be necessary to make effective the obligations resulting from the price

restrictions, export limits, and Export Licenses. MOFTEC will inform the Department, in writing, of any violations concerning the price restrictions, export limits, or Export Licenses which come to its attention and the action taken with respect thereto.

The Department will inform MOFTEC in writing of violations concerning the price restrictions, export limits, and/or Export Licenses which come to its attention and the action taken with respect thereto.

E. Export Licenses will be issued sequentially, endorsed against the export limit for the Relevant Period, and will reference the report of quota allocation results for the appropriate Relevant Period.

F. Export Licenses must be issued no earlier than 90 days before the day on which the merchandise is accepted by a transportation company, as indicated in the bill-of-lading or a comparable transportation document, for export. Export Licenses must contain an English language translation.

G. On and after the effective date of this Agreement, the United States shall require presentation of an Export License as a condition for entry of CTL plate into the United States. The United States will prohibit the entry of any CTL plate not accompanied by an Export License.

H. For purposes of this Agreement, the duration of the validity of the Export License will be a period of 180 days.

VI. Implementation

In order to effectively restrict the volume of exports of CTL plate to the United States, MOFTEC agrees to implement the following procedures no later than 90 days after the effective date of this Agreement.

A. Establish, through MOFTEC, an export licensing program for all exports of CTL plate to, or destined directly or indirectly for consumption in, the United States.

B. Ensure compliance by any official Chinese institution, chamber, or other entities authorized by the Government of the People's Republic of China, all producers, exporters, brokers, and traders of CTL plate, and their affiliated parties, as well as independent trading companies/resellers utilized by the Chinese producer to make sales to the United States, with all procedures established in order to effectuate this Agreement.

C. Collect information from all producers, exporters, brokers, and traders of the CTL plate to the United States, and their affiliated parties; as well as independent trading companies/

resellers utilized by the Chinese producer, on the sale of the CTL plate, and report such information pursuant to Section VIII(A) of this Agreement.

D. Prohibit, by law, direct and indirect exports to the United States of CTL plate except under Export Licenses issued pursuant to Section V.A and impose strict sanctions, such as penalties or prohibition from participation in the export limits allowed by the Agreement, in the event that any Chinese or Chinese-affiliated party does not comply in full with all terms of the Agreement.

E. Require that purchasers agree: not to circumvent this Agreement; to report to MOFTEC any subsequent arrangement(s) entered into for the sale, exchange, or loan to a person or entity in the United States of CTL plate purchased from the People's Republic of China; and to ensure that these same provisions are included in any subsequent contracts involving CTL plate purchased from the People's Republic of China.

F. Prohibit direct and indirect exports to the United States of CTL plate which is not die-stamped with the mark of the producing mill and which is not marked with the People's Republic of China as the country of origin.

VII. Anticircumvention

A. MOFTEC will take all appropriate measures under Chinese law to prevent circumvention of this Agreement. It shall respond promptly to conduct an inquiry into any and all allegations of circumvention, including allegations raised by the Department, and shall complete such inquiries in a timely manner (normally within 45 days). MOFTEC shall notify the Department, in writing, of the results of its inquiries within ten days of the conclusion of such inquiries. Within 15 days of a request from the Department, MOFTEC shall share with the Department all information received or collected by MOFTEC regarding its inquiries, its analysis of such information and the results of such inquiries. MOFTEC will require all exporters of CTL plate to include a provision in their contracts for sales to countries other than the United States that the CTL plate sold through such contracts cannot be re-exported, transhipped, or swapped to the United States, or otherwise used to circumvent the export limits of this Agreement. MOFTEC will also establish appropriate mechanisms to enforce this requirement.

B. MOFTEC shall advise within one month after the effective date of this Agreement that all contracts for sales of CTL plate to third countries by Chinese

producers/exporters shall include a clause which stipulates the following: that in the event that their customer sells the merchandise to another trading company it must provide the identity of the subsequent trading company to the Government of the People's Republic of China.

Given the critical need to prevent circumvention, both Governments agree to share information to the greatest extent their national legislation will allow. Therefore, MOFTEC agrees to use its maximum efforts to provide transaction specific data for all third country sales to the final end-user.

C. If, in an inquiry pursuant to paragraph A, MOFTEC determines that a Chinese company has participated in a transaction that resulted in circumvention of the export limits of this Agreement, then MOFTEC shall impose penalties on such company including, but not limited to, denial of access to the CTL plate quota. Additionally, MOFTEC shall deduct an amount of CTL plate equivalent to the amount involved in such circumvention from the export limit and shall immediately notify the Department, in writing, of the amount deducted. If sufficient tonnage is not available in the current Relevant Period, then the remaining amount necessary shall be deducted from the subsequent Relevant Period.

D. If MOFTEC determines that a company from a third country has circumvented the Agreement and the parties agree that no Chinese entity participated in or had knowledge of such activities, then the parties shall hold consultations for the purpose of sharing evidence regarding such circumvention and reaching mutual agreement on the appropriate steps to be taken to eliminate such circumvention, such as MOFTEC prohibiting sales of Chinese CTL plate to the company responsible or reducing CTL plate exports to the country in question. If the parties are unable to reach a mutual agreement within 45 days, then the Department may take appropriate action, such as deducting the amount of CTL plate involved in such circumvention from the export limit, or instructing Customs to deny entry to any CTL plate sold by the entity found to be circumventing the Agreement, taking into account all relevant factors. Before taking such action, the Department will notify MOFTEC of the facts and the reasons constituting the basis for the Department's intended action and will afford MOFTEC ten days in which to comment.

E. If the Department determines that a Chinese or third country entity

participated in circumvention, the parties shall hold consultations for the purpose of sharing evidence regarding such circumvention and reaching mutual agreement on an appropriate resolution of the problem. If the parties are unable to reach mutual agreement within 45 days, the Department may take appropriate action, such as deducting the amount of CTL plate involved in such circumvention from the export limit, or instructing Customs to deny entry to any CTL plate sold by the entity found to be circumventing the Agreement. Before taking such action, the Department will notify MOFTEC of the facts and reasons constituting the basis for the Department's intended action and will afford MOFTEC ten days in which to comment.

F. The Department shall direct the U.S. Customs Service to require all importers of CTL plate into the United States, regardless of stated country of origin, to submit at the time of entry a written statement certifying that the CTL plate being imported was not obtained under any arrangement, swap, or other exchange which would result in the circumvention of the export limits established by this Agreement. Where the Department has reason to believe that such a certification has been made falsely, the Department will refer the matter to Customs or the Department of Justice for further action.

G. Given the fungibility of the world steel market, the Department will take the following factors into account in distinguishing normal steel market arrangements, swaps, or other exchanges from arrangements, swaps, or other exchanges which would result in the circumvention of the export limits established by this Agreement:

1. Existence of any verbal or written arrangements which would result in the circumvention of the export limits established by this Agreement;

2. Existence of any arrangement as defined in Section III.E that was not reported to the Department pursuant to Section VIII.A;

3. Existence and function of any subsidiaries or affiliates of the parties involved;

4. Existence and function of any historical and/or traditional trading patterns among the parties involved;

5. Deviations (and reasons for deviation) from the above patterns, including physical conditions of relevant steel producing facilities;

6. Existence of any payments unaccounted for by previous or subsequent deliveries, or any payments to one party for merchandise delivered or swapped by another party;

7. Sequence and timing of the arrangements; and

8. Any other information relevant to the transaction or circumstances.

H. "Swaps" include, but are not limited to:

Ownership swaps—involve the exchange of ownership of any type of CTL plate product(s), without physical transfer. These may include exchange of ownership of CTL plate products in different countries, so that the parties obtain ownership of products located in different countries; or exchange of ownership of CTL plate products produced in different countries, so that the parties obtain ownership of products of different national origin.

Flag swaps—involve the exchange of indicia of national origin of CTL plate products, without any exchange of ownership.

Displacement swaps—involve the sale or delivery of any type of steel product(s) from the People's Republic of China to an intermediary country (or countries) which can be shown to have resulted in the ultimate delivery or sale into the United States of displaced CTL plate products of any type, regardless of the sequence of the transaction. Two years after the effective date of this Agreement, this provision with regard to displacement swaps will cease to exist unless the Department determines that there has been evidence of displacement swaps during the preceding two years.

I. The Department will enter its determinations regarding circumvention into the record of the Agreement.

VIII. Monitoring

MOFTEC will provide to the Department such information as is necessary and appropriate to monitor the implementation of and compliance with the terms of this Agreement. The Department shall provide semi-annual reports to MOFTEC indicating the volume of imports of the CTL plate to the United States, together with such additional information as is necessary and appropriate to monitor the implementation of this Agreement.

A. Reporting of Data

Beginning on the effective date of this Agreement, MOFTEC shall collect and provide to the Department the information set forth, in the agreed format, in the Appendix to this Agreement. All such information will be provided to the Department by May 30 of each year for exports and aggregate home market sales during the period November 1 through April 30, and by November 30 of each year for exports during the period May 1 through October 31, or within 90 days of a

request made by the Department. MOFTEC agrees to provide transaction-specific information for home market sales upon demand, within 30 days of a request made by the Department. Such information will be subject to the verification provision identified in Section VIII.C of this Agreement. MOFTEC agrees to allow sales of CTL plate only through those brokers and trading companies which permit verification and full reporting of data. The Department may disregard any information submitted after the deadlines set forth in this Section or any information which it is unable to verify to its satisfaction.

Aggregate quantity and value of exports by HTS category to each third country will be provided to the Department by July 30 of each year for exports during the period November 1 through April 30 and by January 31 of each year for exports during period May 1 through October 31.

Transaction-specific data for all third country sales will also be reported on the schedule provided above in the format provided in the Appendix. However, if the Department concludes that transaction-specific data is not necessary for a given period, it will notify MOFTEC at least 90 days before the reporting deadline that transaction-specific sales data need not be reported. If the Department determines that such data is relevant in connection with Section VII and requests information on transactions for one or more third countries during a period for which the Department waived complete reporting, MOFTEC will provide the data listed in the Appendix for those specific transactions within 90 days of the request.

Both governments recognize that effective monitoring of this Agreement may require that MOFTEC provide information additional to that which is identified above. Accordingly, the Department may establish additional reporting requirements, as appropriate, during the course of this Agreement. The Department shall provide notice to MOFTEC of any additional reporting requirements no later than 45 days prior to the period covered by such reporting requirements unless a shorter notice period is mutually agreed.

B. Other Sources for Monitoring

The Department will review publicly-available data as well as Customs Form 7501 entry summaries and other official import data from the Bureau of the Census, on a monthly basis, to determine whether there have been imports that are inconsistent with the provisions of this Agreement.

The Department will monitor Bureau of the Census IM-115 computerized records, which include the quantity and value of each entry. Because these records do not provide other specific entry information, such as the identity of the producer/exporter which may be responsible for such sales, the Department may request the U.S. Customs Service to provide such information. The Department may request other additional documentation from the U.S. Customs Service.

The Department may also request the U.S. Customs Service to direct ports of entry to forward an Antidumping Report of Importations for entries of the CTL plate during the period this Agreement is in effect.

C. Verification

MOFTEC will permit full verification of all information affiliated to the administration of this Agreement, including verification of the Chinese producer and the trading companies/brokers utilized in making sales/shipments to the United States, on an annual basis or more frequently, as the Department deems necessary to ensure that the Government of the People's Republic of China is in full compliance with the terms of the Agreement. Such verifications may take place in association with scheduled consultations whenever possible.

IX. Disclosure and Comment

A. The Department shall make available to representatives of each party to the proceeding, under appropriately-drawn administrative protective orders consistent with the Department's Regulations, business proprietary information submitted to the Department semi-annually or upon request, and in any administrative review of this Agreement.

B. Not later than 30 days after the date of disclosure under Section VII.A, the parties to the proceeding may submit written comments to the Department, not to exceed 30 pages.

C. During the anniversary month of this Agreement, each party to the proceeding may request a hearing on issues raised during the preceding Relevant Period. If such a hearing is requested, it will be conducted in accordance with Section 751 of the Act (19 U.S.C. 1675) and applicable regulations.

X. Consultations

MOFTEC and the Department shall hold consultations regarding matters concerning the implementation, operation, including the calculation of reference prices, and/or enforcement of

this Agreement. Such consultations will be held each year during the anniversary month of this Agreement. Additional consultations may be held at any other time upon request of either MOFTEC or the Department.

XI. Violations of the Agreement

A. Violation

"Violation" means noncompliance with the terms of this Agreement caused by an act or omission, in accordance with Section 353.19 of the Department's Regulations.

Each party will inform the other party of any violations of the Agreement which come to their attention and the action taken with respect thereto.

Exports in excess of the export limits set out in this Agreement shall not be considered a violation of the Agreement or an indication that the Agreement no longer meets the requirements of U.S. laws and regulations where such exports are inconsequential, inadvertent, and are applied against the export limits of the following Relevant Period.

Prior to making a determination of an alleged violation, the Department will engage in emergency consultations. Such consultations shall begin no later than 14 days from the day of request and shall provide for full review, but in no event will exceed 30 days. After consultations, the Department will provide MOFTEC 20 days within which to provide comments. The Department will make a determination within 30 days of the date established for submission of comments by MOFTEC.

B. Appropriate Action

If the Department determines that this Agreement is being or has been violated, the Department will take such action as it determines is appropriate under 734(i) of the Act and Section 353.19 of the Department's Regulations.

XII. Duration

The export limits provided for in Section III of this Agreement shall remain in force from the effective date of this Agreement through November 1, 2002.

The Department will, upon receiving a proper request no later than November 1, 2001, conduct an administrative review under Section 751 of the Act. The Department expects to terminate this Agreement and the underlying investigation no later than November 1, 2002, provided that the People's Republic of China has not been found to have violated the Agreement in any substantive manner. Such review and termination shall be conducted

consistent with section 353.25 of the Department's Regulations.

The Government of the People's Republic of China may terminate this Agreement at any time upon notice to the Department. Termination shall be effective 60 days after such notice is given to the Department. Upon termination at the request of MOFTEC, the provisions of Section 734(i) of the Act shall apply.

XIII. Conditions

The Department recognizes that it may determine during the life of this Agreement that the Chinese CTL plate industry is a market-oriented industry, or that the People's Republic of China is a market economy country. In either event, the Department may:

(a) Enter into a new suspension agreement under Section 734(b) or 734(c) of the Act; or

(b) If the investigation was not completed under section 353.18(i) of the Department's regulations, afford MOFTEC a full opportunity to submit new information, and take such information into account in reaching its final determination—provided that all parties to the proceeding are given a full opportunity to submit factual information and argument in rebuttal; or

(c) If the investigation was completed under section 353.18(i), consider a request made no later than 30 days after termination of the Agreement to conduct a changed circumstances review under Section 751(b).

XIV. Other Provisions

A. In entering into this Agreement, MOFTEC does not admit that any sales of CTL plate subject to this Agreement have been made at less than fair value or that such sales have materially injured, or threatened material injury to, an industry or industries in the United States.

B. The Department finds that this Agreement is in the public interest; that effective monitoring of this Agreement by the United States is practicable; and that this Agreement will prevent the suppression or undercutting of price levels of United States domestic CTL plate products by imports of the merchandise subject to this Agreement.

C. The Department does not consider any of the obligations concerning exports of CTL plate to the United States undertaken by MOFTEC pursuant to this Agreement relevant to the question of whether firms in the underlying investigation would be entitled to separate rates, should the investigation be resumed for any reason.

D. The English language version of this Agreement shall be controlling.

E. For all purposes hereunder, the Department and the signatory Government of the People's Republic of China shall be represented by, and all communications and notices shall be given and addressed to:

U.S. Department of Commerce,
Assistant Secretary for Import
Administration, International Trade
Administration, Washington, D.C.
20230

Government of the People's Republic of
China, Ministry of Foreign Trade and
Economic Cooperation of the People's
Republic of China, Beijing 100731

XV. Effective Date

The effective date of this Agreement suspending the antidumping investigation on CTL plate from the People's Republic of China shall be October 24, 1997.

Signed on this 24th day of October, 1997.

For the U.S. Department of Commerce.

Robert S. LaRussa,
*Assistant Secretary for Import
Administration.*

For the Government of the People's
Republic of China.

Shi Jianxin,
*Minister Counsellor, Embassy of the People's
Republic of China.*

Appendix

In accordance with the established format, MOFTEC shall collect and provide to the Department all information necessary to ensure compliance with this Agreement. This information will be provided to the Department on a semi-annual basis, or upon request.

MOFTEC will collect and maintain data on exports to the United States, and to countries other than the United States, on a continuous basis and provide the prescribed information to the Department.

MOFTEC will report the aggregate volume and value of home market sales of CTL plate for those companies which exported to the United States in the same reporting period as specified in Section VIII.A. For these companies, MOFTEC will report the aggregate home market sales of CTL plate for the grade listed in Section IV. C. of the Agreement. Upon demand, MOFTEC will provide the information requested in the "Home Market Sales" section.

MOFTEC will provide a narrative explanation to substantiate all data collected in accordance with the following formats.

Report of Inventories

Report, by location, the inventories of CTL plate held by a Chinese legal entity in the United States and imported into the United States during the period November 5, 1996, through the effective date of the Agreement.

1. Quantity: Indicate original units of measure (metric tons).

2. Location: Identify where the inventory is currently being held. Provide the name and address for the location.

3. Titled Party: Name and address of party who legally has beneficial title to the merchandise.

4. Contract Registration Number: Indicate the number(s) relating to each entry now being held in inventory.

5. Export License Number: Indicate the number(s) relating to each sale or entry.

6. Date of Original Export: Date the Export License is issued.

7. Date of Entry: Date the merchandise entered the United States or the date book transfer took place.

8. Original Importer: Name and address.

9. Original Exporter: Name and address.

10. Complete Description of Merchandise: Include heat numbers, HTS number, physical description, ASTM specification, and other available information.

Exports to the United States

MOFTEC will provide all Export Licenses issued to Chinese entities which shall contain the following information with the exception that information requested in item #9, date of entry, item #10, Importer of Record; item #16, final destination, item #17, other, may be omitted if unknown to MOFTEC and the licensee.

1. Export License number(s): Indicate the number(s) relating to each sale and/or entry.

2. Complete Description of Merchandise: Include the 10 digit HTS category, and the ASTM or equivalent grade.

3. Quantity: Indicate in metric tons.

4. F.O.B. Sales Value: Indicate currency used.

5. Unit Price: Indicate per metric ton.

6. Date of Sale: The date all essential terms of order (i.e., price and quantity) become fixed.

7. Sales Order Number (s): Indicate the specification number/order number relating to each sale and/or shipment.

8. Date of Export: Date the export license is issued.

9. Date of Entry: Date the merchandise entered the United States or the date book transfer took place.

10. Importer of Record: Name and address.

11. Trading Company: Name and address of trading company involved in sale.

12. Customer: Name and address of the first unaffiliated party purchasing from the Chinese producer/exporter.

13. Customer Relationship: Indicate whether the customer is affiliated or unaffiliated with the Chinese producer/exporter.

14. Quota Allocated to Exporter: Indicate the total amount of quota allocated to the individual Chinese producer/exporter during the Relevant Period.

15. Quota Remaining: Indicate the remaining quota available to the individual Chinese producer/exporter during the Relevant Period.

16. Final Destination: Indicate the complete name and address of the end-user.

17. Other: Indicate the identity of any party(ies) in the transaction chain between the customer and the final destination/end user.

Customer Certification

MOFTEC shall ensure that all customers of the CTL plate shall certify that the

merchandise imported into the United States pursuant to this Agreement shall not be loaned or swapped.

Mill Certification

MOFTEC shall ensure that all shipments of CTL plate exported to the United States pursuant to this Agreement shall be accompanied by a copy of the original mill certification, which includes the heat number(s).

Sales to Countries Other Than the United States

Pursuant to Section VIII, paragraph A, MOFTEC will provide country-specific volume and value information for all exports of CTL plate to third countries. The following information shall be provided except that information requested in item #6, importer of record, and item #10, other, may be omitted if unknown to MOFTEC and the licensee.

1. Customs Export Declaration Number: Indicate the number(s) related to each shipment.
2. Quantity: Indicate in original units of measure sold and/or entered in metric tons.
3. Date of Sale: The date all essential terms of the order (i.e., price and quantity) become fixed.
4. Sales Order Number(s): Indicate the number(s) relating to each sale and/or entry.
5. Date of Export: Date of Export Certification is issued.
6. Importer of Record: Name and address.
7. Customer: Name and address of the first unaffiliated party purchasing from the Chinese producer/exporter.
8. Customer Relationship: Indicate whether the customer is affiliated or unaffiliated.
9. Name of Vessel: Identify the name of vessel for each shipment to third countries.
10. Other: The identity of any subsequent trading company in the transaction chain pursuant to Section VII.B.
11. Estimated Date of Entry: Date the merchandise entered the third country or the date a book transfer took place.

Home Market Sales

Pursuant to Section VIII.A., MOFTEC will provide transaction-specific home market information for sales of subject merchandise, upon demand. The following information shall be provided, except that information requested in item #6 may be omitted if unknown to MOFTEC and the licensee.

1. Quantity: Indicate in original units of measure sold and/or entered in metric tons.
2. Date of Sale: The date all essential terms of the order (i.e., price and quantity) become fixed.
3. Sales Order Number(s): Indicate the number(s) relating to each sale and/or entry.
4. Customer: Name and address of the first affiliated party purchasing from the Chinese exporter.
5. Customer Relationship: Indicate whether the customer is affiliated or unaffiliated.
6. Other: The identity of any party(ies) in the transaction chain between the customer and the final destination.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-821-808]

Suspension of Antidumping Duty Investigation: Certain Cut-to-Length Carbon Steel Plate From the Russian Federation

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

SUMMARY: The Department of Commerce (the Department) has suspended the antidumping duty investigation involving certain cut-to-length carbon steel plate (CTL plate) from the Russian Federation. The basis for this action is an agreement between the Department and the Ministry of Foreign Economic Relations and Trade of the Russian Federation (MINFER) wherein MINFER has agreed to restrict the volume of direct or indirect exports to the United States of CTL plate from all Russian producers/exporters and to revise its prices to eliminate completely sales of this merchandise to the United States at less than fair value.

EFFECTIVE DATE: October 24, 1997.

FOR FURTHER INFORMATION CONTACT: Nithya Nagarajan, or Eugenia Chu, Office of AD/CVD Enforcement III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th & Constitution Avenue N.W., Washington, D.C. 20230; telephone (202) 482-1324, or (202) 482-3964 respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 3, 1996, the Department initiated an antidumping investigation under section 732 of the Tariff Act of 1930, (the Act), as amended, to determine whether imports of CTL plate from the Russian Federation are being or are likely to be sold in the United States at less than fair value (61 FR 64051 (December 3, 1996)). On December 19, 1996, the United States International Trade Commission (ITC) notified the Department of its affirmative preliminary injury determination (see ITC Investigation Nos. 731-TA-753-756). On June 11, 1997, the Department preliminarily determined that CTL plate is being, or is likely to be, sold in the United States at less than fair value (LTFV), as provided in section 733 of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (62 FR 31967, (June 11, 1997)).

The Department and MINFER initialed a proposed agreement

suspending this investigation on September 24, 1997. On September 25, 1997, we invited interested parties to provide written comments on the agreement and received comments from Geneva Steel, Gulf States Steel, Bethlehem Steel Corp., U.S. Steel Group, United Steel Workers of America, and the Government of the Russian Federation.

The Department and MINFER signed the final suspension agreement on October 24, 1997.

Scope of Investigation

See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From Ukraine*, signed on October 24, 1997.

Suspension of Investigation

The Department consulted with the parties to the proceeding and has considered the comments submitted with respect to the proposed suspension agreement. In accordance with Section 734 (l) of the Act, we have determined that the agreement will prevent the suppression or undercutting of price levels of domestic products by imports of the merchandise under investigation, that the agreement is in the public interest, and that the agreement can be monitored effectively. See October 24, 1997, Public Interest Memorandum. We find, therefore, that the criteria for suspension of an investigation pursuant to section 734(l) of the Act have been met. The terms and conditions of this agreement, signed October 24, 1997, are set forth in Annex 1 to this notice.

Pursuant to section 734(f)(2)(A) of the Act, the suspension of liquidation of all entries of cut-to-length carbon steel plate from the Russian Federation entered or withdrawn from warehouse, for consumption, as directed in our notice of "Preliminary Determination of Sales at Less Than Fair Value: Cut-to-Length Carbon Steel Plate from the Russian Federation" and "Postponement of the Final Determination: Cut-to-Length Carbon Steel Plate from the Russian Federation" is hereby terminated. Any cash deposits on entries of cut-to-length carbon steel plate from the Russian Federation pursuant to that suspension of liquidation shall be refunded and any bonds shall be released.

On October 14, 1997 we received a request from petitioners requesting that we continue the investigation. We received separate requests for continuation from Bethlehem Steel Corp., U.S. Steel Corp. (A Unit of USX Corporation), and the United Steelworkers of America, interested parties under section 771(9)(D) of the