shipments of the subject merchandise from the producers/exporters under review, entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review.

Pursuant to 19 CFR 351.212(c), for all companies for which a review was *not* requested, duties must be assessed at the cash deposit rate in effect at the time of entry of the subject merchandise and cash deposits must continue to be collected at the previously ordered rate. Therefore, the cash deposit rates for all companies except those covered by this review will be unchanged by the results of this review.

We will instruct Customs to continue to collect cash deposits for non-reviewed companies, except Barilla G. e R. F.lli S.p.A. (''Barilla'') and Gruppo Agricoltura Sana S.r.L. (''Gruppo'') (which were excluded from the order during the investigation), at the most recent rate applicable to the company. Accordingly, the cash deposit rates that will be applied to non-reviewed companies covered by this order are those established in the *Notice of Countervailing Duty Order and Amended Final Affirmative Countervailing Duty Determination: Certain Pasta from Italy* (61 FR 38544, July 24, 1996), or those established in *Certain Pasta from Italy: Final Results of Countervailing Duty Administrative Review* (63 FR 43905, August 17, 1998), whichever notice provides the most recently published countervailing duty rates for companies not reviewed in this administrative review. These rates shall apply to all non-reviewed companies until a review of a company assigned these rates is completed. In addition, for the period January 1, 1997 through December 31, 1997, 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, except for Barilla and Gruppo (which were excluded from the order during the original investigation).

This notice serves as a reminder to parties subject to administrative protective order (''APO'') of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.301. Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

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

Dated: August 9, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 99–21201 Filed 8–13–99; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–489–502]

Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Final Results of Countervailing Duty Administrative Reviews

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

SUMMARY: On April 7, 1999, the Department of Commerce (the Department) published in the **Federal Register** its preliminary results of administrative reviews of the countervailing duty orders on certain welded carbon steel pipes and tubes (pipe and tube) and welded carbon steel line pipe (line pipe) from Turkey for the period January 1, 1997 through December 31, 1997 (64 FR 16924). The Department has now completed these administrative reviews in accordance with section 751(a) of the Tariff Act of 1930, as amended. For information on the net subsidy for each reviewed company, and for all non-reviewed companies, please see the *Final Results of Review* section of this notice. We will instruct the U.S. Customs Service to assess countervailing duties as detailed in the *Final Results of Review* section of this notice.

EFFECTIVE DATE: August 16, 1999.

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or Eric Greynolds, Office of CVD/AD Enforcement VI, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–3692 or (202) 482–6071, respectively.

SUPPLEMENTARY INFORMATION:

Background

Pursuant to 19 CFR 351.213(b), these reviews cover only those producers or exporters of the subject merchandise for which a review was specifically requested. Accordingly, the review on pipe and tube covers Yucel Boru ve Profil Endustrisi A.S., and its affiliated companies, Cayirova Boru Sanayi ve Ticaret A.S., and Yucelboru Ihracat Ithalat ve Pazarlama A.S. (Yucel Boru Group), and the review on line pipe covers Mannesmann—Sumerbank Boru Endustrisi T.A.S. (Mannesmann). These reviews also cover 21 programs during the period January 1, 1997 through December 31, 1997.

Since the publication of the preliminary results on April 7, 1999 (64 FR 16924), the following events have occurred. We invited interested parties to comment on the preliminary results. On May 7, 1999, case briefs were submitted by the Yucel Boru Group, which exported pipe and tube, and Mannesmann, which exported line pipe, to the United States during the review period (respondents). On May 12, 1999, a rebuttal brief was submitted by Maverick Tube Corporation and Wheatland Tube Company (petitioners).

Applicable Statute and Regulations

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. Because these administrative reviews were initiated in April 1998, 19 CFR part 355 is applicable.

Scope of the 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 more than 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 more than 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 descriptions remain dispositive.

Analysis of Programs

Based upon the responses to our questionnaires and written comments from the interested parties, we determine the following:

I. Programs Conferring Subsidies

A. Programs Previously Determined To Confer Subsidies

1. Pre-Shipment Export Credit

In the preliminary results we found that this program conferred countervailable subsidies on the subject merchandise. Our review of the record and our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our findings from the preliminary results. Accordingly, the net subsidies for this program remain unchanged from the preliminary results and are as follows:

Manufacturer/exporter of pipe and tube	Rate (percent)
Yucel Boru Group	0.84

Manufacturer/exporter of line pipe	Rate (percent)
Mannesmann	0.19

2. Foreign Exchange Loan Assistance

In the preliminary results we found that this program conferred countervailable subsidies on the subject merchandise. We did not receive any comments on this program from the interested parties. In the preliminary results, we stated that Mannesmann received foreign currency loans that were used for shipments to the United States and Germany. For the denominator, we used the indexed monthly total exports of the subject merchandise to the United States, and the company's total export sales (unindexed) of the subject merchandise to Germany. We subsequently requested the monthly total export sales of the subject merchandise to Germany so that we could index for inflation, as we had indexed sales of subject merchandise to the United States. We have now indexed the monthly total exports of the subject merchandise to the United States and to Germany to account for Turkey's high rate of inflation. *See Preliminary Results*, 64 FR 16924, 16926, where we found that Turkey experienced an inflation rate of 81 percent during the POR. Accordingly, the net subsidies for this program changed from the preliminary results and are as follows:

Manufacturer/exporter of pipe and tube	Rate (percent)
Yucel Boru Group	0.00

Manufacturer/exporter of line pipe	Rate (percent)
Mannesmann	0.58

3. Freight Program

In the preliminary results we found that this program conferred countervailable subsidies on the subject merchandise. Our review of the record and our analysis of the comments submitted by the interested parties, summarized below, has not led us to change our findings from the preliminary results. Accordingly, the net subsidies for this program remain unchanged from the preliminary results and are as follows:

Manufacturer/exporter of pipe and tube	Rate (percent)
Yucel Boru Group	0.00

Manufacturer/exporter of line pipe	Rate (percent)
Mannesmann	3.43

II. Program Found Not To Confer Subsidies Special Importance Sector Under Investment Allowances

In the preliminary results we found this program did not confer subsidies during the POR. We did not receive any comments on this program from the interested parties, and our review of the record has not led us to change any findings from the preliminary results.

III. Programs Found To Be Not Used

In the preliminary results we found that the producers and/or exporters of the subject merchandise did not apply for or receive benefits under the following programs:

A. Resource Utilization Support Fund
B. State Aid for Exports Program
C. Advance Refunds of Tax Savings
D. Export Credit Through the Foreign Trade Corporate Companies Rediscount Credit Facility (Eximbank)
E. Past Performance Related Foreign Currency Export Loans (Eximbank)
F. Export Credit Insurance (Eximbank)
G. Subsidized Turkish Lira Credit Facilities
H. Subsidized Credit for Proportion of Fixed Expenditures
I. Fund Based Credit
J. Investment Allowances (in excess of 30% minimum)
K. Resource Utilization Support Premium
L. Incentive Premium on Domestically Obtained Goods
M. Deduction from Taxable Income for Export Revenues
N. Regional Subsidies
1. Additional Refunds of VAT (VAT + 10%)
2. Postponement of VAT on Imported Goods
3. Land Allocation (GIP)
4. Taxes, Fees (Duties), Charge Exemption (GIP)

We did not receive any comments on these programs from the interested parties, and our review of the record has not led us to change our findings from the preliminary results.

IV. Program Found To Be Terminated

In the preliminary results we found the following program to be terminated and that no residual benefits were being provided:

Export Incentive Certificate Customs Duty & Other Tax Exemptions

We did not receive any comments on this program from the interested parties, and our review of the record has not led us to change our findings from the preliminary results.

Analysis of Comments

Comment 1: Appropriate Benchmark Interest Rates

The Yucel Boru Group argues that the Department's use of monthly-average interest rates is inconsistent with the Department's policies and practices in antidumping cases. They argue that it is the Department's policy, in high inflation economies, to require contemporaneity for measurements that are affected by inflation. In support of their argument, they cite the *Final Determination of Sales at Less than Fair Value: Certain Pasta from Turkey*, 61 FR 30309, (June 14, 1996), in which the Department used daily exchange rates for currency conversion. Therefore, according to the Yucel Boru Group, because currency exchange rates and interest rates reflect the degree of inflation in the economy, they both should be treated the same way under the principle of contemporaneity in antidumping cases, as well as countervailing duty cases, as provided for under 19 CFR 351.415 (Currency Conversion). Thus, they argue that the Department should use, as a benchmark, the weekly short-term interest rates rather than the monthly average short-term interest rates based on a simple average of the weekly figures corresponding for that month.

The Yucel Boru Group also argues that the Department selected the

incorrect short-term weekly rates from *The Economist.* Therefore, they argue that if the Department elects to retain the monthly average methodology, the Department should select the correct short-term weekly rates from *The Economist.*

Department's Position: We disagree with the Yucel Boru Group's contention that the Department should use the weekly short-term interest rate rather than the average monthly rate in calculating the benefit from the pre-shipment export credit program. First, the Group is incorrect in equating antidumping duty practice and the currency conversion regulation (351.415) (only applicable in antidumping duty cases) with countervailing duty practice. In antidumping duty cases because we are comparing costs and prices in different markets, contemporaneous comparisons are necessary to ensure that the comparisons are appropriate and not unduly influenced by exchange rate fluctuations. With regard to prices, our regulation on currency conversion effectuates this purpose. *See* 19 CFR 351.415. In countervailing duty cases we are not comparing prices or costs, rather, in choosing a benchmark interest rate, we are determining whether a benefit exists to the extent that the amount a firm pays on a government-provided loan is less than the amount the firm would pay on a comparable commercial loan obtained during the year in which the government-provided loan was given, in accordance with section 771(5)(E(ii) of the Act. If the government-provided loan is a short-term loan, the Department calculates a single, annual average benchmark interest rate, unless short-term interest rates in the country in question fluctuated significantly during the year in question. Because we determine that Turkey continued to experience a high rate of inflation, based on a Wholesale Price Index rate of approximately 81 percent during the POR, we find that using an average monthly rate as the short-term benchmark interest rate sufficiently accounts for such inflation. It has been the Department's practice in countervailing duty cases to use the average monthly interest rate for purposes of deriving a benchmark interest rate in an inflationary economy. *See e.g., Final Affirmative Countervailing Duty Determination: Certain Pasta from Turkey,* 61 FR 30366, 30367 (June 14, 1996). In prior countervailing duty reviews of subject merchandise, the Department has consistently used, as the benchmark interest rates, the monthly average interest rates. *See Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Preliminary Results of Countervailing Duty Administrative Reviews,* 62 FR 16782,16783 (April 8, 1997) and *Final Results,* 62 FR 43984 (August 18, 1997) (*1995 Pipe and Tubes and Line Pipe*), and *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,* 62 FR 64808, 64809 (December 9, 1997) and *Final Results,* 63 FR 18885 (April 16, 19998) (*1996 Pipes and Tubes and Line Pipe*). Moreover, we note that Mannesmann, the other producer of subject merchandise in the instant reviews, supplied the Department with the monthly average cost of its company-specific borrowing rates during the POR.

We also disagree with the Yucel Boru Group's contention that the Department used the incorrect benchmark interest rate. The Group's contention appears to stem from their argument that interest rate benchmarks should be contemporaneous with when the interest payments are made. As discussed above, in selecting an appropriate benchmark, we are not comparing prices or costs. Instead, we are determining what the interest rate would have been had the company obtained a commercial loan comparable to the government-provided loan. Therefore, the Department bases its benchmark interest rate on the date the government-provided loan is taken out because the interest rate on a comparable commercial loan would have been established at the time the loan is given, and not on the date the interest payment is made, as argued by the Yucel Boru Group. *See 1996 Pipes and Tubes and Line Pipe,* 62 FR 64308, 64809.

Comment 2: Countervailability of Exempted Loan Fees

The Yucel Boru Group argues that the Department's inclusion of loan fees in the benchmark interest rate used to calculate the benefit of the pre-shipment loan program is contrary to both the World Trade Organization (WTO) Agreement and section 771 of the Tariff Act of 1930. Specifically, they argue that while section 771(5)(E)(iii) of the Act and Part V, Article 14(c) of the Agreement on Subsidies and Countervailing Measures (SCM), dealing with loan guarantees, include provisions for adjusting for fees, the statutory provisions addressing loans in section 771(5)(E)(ii) of the Act and part V, Article 14(c) of the SCM contain no such provision with respect to fees incurred on direct loans. Thus, they argue that because the statute and the WTO do not explicitly include a provision for adjusting for fees in the case of loans, the Department should not include fees in benchmark interest rate used to calculate the benefit under the pre-shipment export credit program.

Petitioners counter that the Yucel Boru Group's contention is not tenable. Rather, according to petitioners, the waived fees are export promotion subsidies and are prohibited. Petitioners also counter that the adjustment for loan guarantee fees is necessary to prevent a finding of a subsidy where the net effect of the guarantee transaction provides no interest benefit to the loan recipient. However, the waiver of fees, which would otherwise be applicable to a loan, but for the fact the loan finances export sales, is an export subsidy in its own right. Therefore, to exclude the fee from the benchmark interest rates would ignore the subsidy benefit.

Department's Position: We disagree with the Yucel Boru Group's contention that the Department's inclusion of loan fees in the benchmark interest rate used to calculate the benefit under the pre-shipment export credit program is contrary to law. Although there is no explicit reference to adjusting for fees on direct loans in either Articles 14(b) and 14(c) of the SCM, and sections 771(5)(E)(ii) and 771(5)(E)(iii) of the Act, the Department has interpreted language contained in both provisions as permitting the Department to add exempted fees to benchmark interest rates used to calculate the benefit in appropriate circumstances. Section 771(5)(E)(ii) of the Act defines the benefit in the case of loans as,

> ''* * * [the] 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.''

The Department believes that this interpretation is in compliance with the SCM and the Act because the inclusion of loan fees in the benchmark interest rate to calculate the benefit accurately derives the amount that the recipient would pay on a comparable commercial loan.

While section 351.505 of the Department's regulations are not in effect for the instant reviews, the Preamble restates the Department's practice of using the ''effective interest rate'' rather than the ''nominal interest rate'' because effective interest rates are intended to take account of the actual cost of the loan, including the amount

of any fees, commissions, compensating balances, government charges or penalties paid in addition to the nominal interest. *See* section 351.505(a)(1); *Preamble to the Regulations*, 63 FR 65362 (November 25, 1998).

As explained in the *Preliminary Results* at 16926, the pre-shipment export credit program allows for the exemption of certain fees that are normally charged on loans, provided that the loans are used in financing exportation and other foreign exchange earning activities. In light of the exemption granted under this program, the only way to determine the amount that the recipient would normally pay on a comparable commercial loan would be to factor in the fees a recipient would incur on this type of transaction. For this reason, consistent with the Department's practice, we compare effective rates rather than nominal rates. *See e.g., Certain Iron-Metal Castings from India: Final Results of Countervailing Duty Administrative Review*, 60 FR 44843 (August 29, 1995) (*Castings from India*).

Comment 4: Measurement of Countervailable Benefit: Earned Versus Receipt Basis

Mannesmann argues that the Department deviated from its long-standing practice of measuring benefits on an earned basis, *i.e.*, on the date of export where the benefit is earned, either as a fixed percentage of the f.o.b. value or as a fixed amount per ton, on a shipment-by-shipment basis, and the exporter knows the total amount of the benefit at the time of export. Mannesmann cites several cases, which they claim demonstrates that the Department has taken this approach even in cases where the benefit was denominated in local currency, in high inflationary economies, and in cases where there were long delays between the date of exportation and the date of actual receipt of the benefit.

They argue that the Department measured the benefits on an earned basis in Brazilian, as well as Mexican cases in the 1980's, a period in which both countries experienced high inflation, although the benefits could not have been known at the time of export because of the ongoing currency devaluations. Further, Mannesmann argues that because the Department is not applying its long-standing practice in the instant case, it is arbitrarily changing its methodology without an explanation, which is contrary to the principle of administrative law.

According to Mannesmann, the fact that the benefit was fixed for a period of time in U.S. dollars before being converted into local currency means that the value of the benefit was more stable during that period in the Turkish case than it was in the Brazilian and Mexican cases. In the Brazilian and Mexican cases, the value of the benefit was converted into local currency at the time of exportation and began immediately to lose value during the period between the date of export and the date of receipt of the benefit because of the effects of inflation. Furthermore, Mannesmann argues that in the Turkish, Brazilian and Mexican cases, the ''real'' value of the benefit that would ultimately be received by the exporters was not known at the time of export. Thus, the benefits from the Freight Rebate program should be measured on the same basis as the Brazilian and Mexican cases.

Mannesmann states that in *1995 Pipe and Tube and Line Pipe*, the Department countervailed benefits received under the Export Performance Credit program on the date they were earned, and not when they were received. Mannesmann argues that despite the Department's attempts to distinguish the Freight Rebate program from the Export Performance Credit program, the two programs were virtually identical. Mannesmann also argues that the exporters did not know, at the time of export, the exact exchange rate that would be used to convert the dollar amount to Turkish Lira (TL) in either program; therefore, the exporters did not know the ''precise'' amount of the benefit in TL on the date of export. On the other hand, they argue that under both programs, the exporters knew the exact U.S. dollar amount of the benefit on the date of export, and the exporters expected to receive the equivalent value in TL at a later date. Therefore, they argue that the price effect and the volume effect of the benefit were exerted at the time of export and not at a later date.

Petitioners counter that the Brazilian cases cited by Mannesmann do not contradict the Department's finding in the instant case. In the Brazilian cases, the respondents knew the exact amount of local currency they would receive as a benefit at the time of exportation. However, in the instant case, the amount of local currency to be received was not known at the time of export. Petitioners also contend that the focus on local currency is critical because this is how the benefit was paid. According to petitioners, in inflationary economies, valuing a benefit at the time it is earned, where conversion from U.S. dollars to local currency will occur at some future date, understates the value of the benefit received. Furthermore, because the conversion to local currency occurred at a future date renders the value of the benefit uncertain at the time it is earned.

Department's Position: The Department has previously addressed the arguments raised by Mannesmann. *See 1996 Pipe and Tube and Line Pipe*, 63 FR at 18887–88. No new information has been presented that would warrant reconsideration of the Department's prior findings. Our normal practice is to countervail benefits when they affect the firm's cash flow, usually when the company receives the benefit. *See e.g., Ferrochrome from South Africa, Final Results of Countervailing Duty Administrative Review*, 56 FR 33254, 33255 (July 19, 1991) (*Ferrochrome from South Africa*). However, the Department has deviated from its long-standing practice to countervail an export subsidy on the date the benefit is received on an ''earned basis'' where the benefit is provided as a percentage of the value of the exported merchandise on a shipment-by-shipment basis, and the exact amount of the countervailable subsidy is known at the time of export. *See e.g., Castings from India*, 60 FR at 44844. As stated in *1995 Pipe and Tube and Line Pipe*, and in *1996 Pipe and Tube and Line Pipe*, the exporter could not have known at the time of export the exact amount of the countervailable benefit from the Freight Rebate program because the freight payments were only stated in U.S. dollars per ton, but the benefit was not tied to the U.S. dollar. The Government of Turkey (GRT) did not initially commit to use the exchange rate existing on the date of export. Therefore, because of the high rate of inflation in Turkey, the exporters could not have known the amount of the benefit ultimately to be received at the time of export. *See 1996 Pipe and Tube and Line Pipe*, 63 FR at 18888. In the Brazilian and Mexican cases cited by Mannesmann, the benefits in these high inflationary economies were paid at the time of export, thus exporters knew with certainty the benefit to be received in the local currency at the time of export. *See e.g., Final Affirmative Countervailing Duty Determinations: Certain Stainless Steel Products from Brazil*, 48 FR 21610, 21612 (May 13, 1983) and *Toy Balloons (Including Punchballs) and Playballs from Mexico: Final Results of Administrative Review of Countervailing Duty Order*, 49 FR 45039, 45040 (November 14, 1984).

We also disagree with Mannesmann's arguments that the Freight Rebate program is indistinguishable from the Export Performance Credit program. We previously determined that the

programs are distinguishable. *See 1995 Pipe and Tube and Line Pipe,* 62 FR at 43991, and *1996 Pipe and Tube and Line Pipe,* 63 FR at 18888. Under the Export Performance Credit program, because the value of the benefit was tied to the U.S. dollar, the benefit remained the same in U.S. dollar terms. Therefore, the value of the benefit from the Export Performance Credit program was known at the time of export, and could be calculated on an earned basis.

Comment 5: Policy Considerations for Measurement of Benefits

Mannesmann argues that policy considerations and the Department's Regulations require the Freight Rebate program be countervailed on the date the benefit was earned because the benefits should be countervailed when they will have the greatest potential effect on a company's export volumes or pricing to the United States. Mannesmann states that since the Freight Rebate program was terminated at the end of 1994, there were no longer any incentive for companies to export. Therefore, they argue that because the countervailing duty law is intended to offset export subsidies, it makes little sense for the Department to countervail a benefit once a program has been terminated.

In support of its policy argument, Mannesmann points to section 351.514 of the Department's regulations, which deals with freight charges. Mannesmann states that although this provision relates to domestic freight charges on export shipments, it is instructive in that it specifically recognizes that freight-related benefits should be countervailed on the date that the subsidies were actually used to encourage shipments to the United States. Therefore, they argue that the Department should follow this policy when countervailing benefits from the Freight Rebate program.

Petitioners counter that regardless of whether a countervailable program has been terminated, the Department should not ignore the residual benefits received under the program.

Department's Position: The Department has previously addressed the arguments raised by Mannesmann. *See 1996 Pipe and Tube and Line Pipe,* 63 FR at 18888. No new information has been presented that would warrant reconsideration of the Department's prior findings. We continue to disagree with Mannesmann's argument that it makes little sense for the Department to countervail a benefit once a program has been terminated. As we stated, under section 771(5)(C), we are not required to consider the potential effect of a subsidy. Moreover, under the Act, a benefit that is contingent upon export is an export subsidy and thus countervailable. *See* Section 771(5A)(B). Finally, under the logic of respondents argument, we could never countervail export subsidies unless the benefit could be measured at the time of shipment. This clearly conflicts with the Act and our long-standing practice to countervail benefits at the time the subsidy affects the company's cash flow, which includes residual benefits from a terminated program. *See e.g., Ferrochrome from South Africa,* 56 FR 33254, 33255 (July 19, 1991).

Mannesmann's citation to section 351.514 is not applicable to the instant reviews. However, Mannesmann's argument that this section of the regulations is instructive is flawed. We previously determined that the Freight Rebate program was a freight bonus, *i.e.*, a benefit contingent upon export. Therefore, we continue to follow our normal practice and countervail this benefit at the time the financial contribution affects the cash flow of the company, which is when the company receives the payment of the subsidy to which it is entitled as a result of prior exportations. *See 1996 Pipe and Tube and Line Pipe,* 63 FR at 18889.

Comment 6: Treatment of Foreign Exchange Difference (Kur Farki)

The Yucel Boru Group argues that the Department's statement that ''we find that foreign exchange differences are not viewed as sales income generated by a company's main operations,'' is contrary to Turkish accounting principles, as well as the Turkish government's own Standard Accounting Plan. The Yucel Boru Group also argues that the Department's quote from Price Waterhouse's publication, *Doing Business in Turkey* (1992, as amended July 31, 1995) that ''the lack of clearly defined commercial accounting principles and the predominance of tax law mean that Turkish law should be treated with extreme caution, and international accounting standards are preferred'' has nothing to do with income classification issues. The Group claims that the same article directly addresses the treatment of exchange gains and losses, and states that ''exchange gains and losses are part of normal trading income and expense to be taken into account when realized.'' Thus, they argue that *kur farki* should be considered as trading revenue for purposes of the denominator of subsidy calculations (total net sales).

The Yucel Boru Group also discusses the Department's treatment of costs, interest expense, and price adjustment in the context of two antidumping cases that involve cost issues, both in a high inflationary economy (Turkey) and a non-high inflationary economy (Germany). The Group argues that in those cases, the Department treated the foreign exchange gain as sales income, and that the Department should do likewise in the instant case.

Petitioners counter that the Yucel Boru Group points to one source cited by the Department. However, the Group does not address the extensive citations the Department provided from other publications regarding the treatment of income obtained from foreign exchange gains and losses. Petitioners also counter that there is overwhelming support in the record that foreign exchange gain or loss is not related to sales activities, and is therefore ''other income.''

Department's Position: The Yucel Boru Group mistakenly argues that the Department excluded foreign exchange gains and losses from the total sales figure used as the denominator for the calculation of the subsidy. However, we note that we used the total sales denominator reported by the companies. In addition, as stated in the preliminary results, the Department departed from how it had treated such gains and losses in earlier reviews of subject merchandise, and in the instant reviews the Department has indexed both the subsidy benefits (numerator) and sales revenue (denominator), as reported in the questionnaire responses. *See Preliminary Results* at 16925–26. Thus, the Group's argument regarding whether foreign exchange gains or losses constitute sales revenue or other income and should be included in the sales denominator is not germane to the Department's calculation of the net subsides in the instant reviews.

The Group's discussion of the antidumping cases also lacks merit. In the instant case, we are examining neither cost issues nor price adjustments. However, as discussed above, to account for high inflation in Turkey, the Department has used indexation in the instant case, as well as in the *Notice of Final Results and Partial Recission of Antidumping Duty Administrative Review: Certain Pasta from Turkey,* 63 FR 68429, 68435.

Final Results of Review

In accordance with 19 CFR 355.22(c)(4)(ii), we calculated an individual subsidy rate for each producer/exporter subject to these administrative reviews. For the period January 1, 1997 through December 31, 1997, we determine the net subsidy to be as follows:

Manufacturer/exporter of pipe and tube	Rate (percent)
Yucel Boru Group	0.84

Manufacturer/exporter of line pipe	Rate (percent)
Mannesmann	4.20

We will instruct the U.S. Customs Service (''Customs'') to assess countervailing duties as indicated above. The Department will also instruct Customs to collect cash deposits of estimated countervailing duties in the percentages detailed above of the f.o.b. invoice price on all shipments of each class or kind of merchandise from reviewed companies, 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 § 777A(e)(2)(B) of the Act. The requested review will normally cover only those companies specifically named. See 19 CFR 355.22(a). Pursuant to 19 CFR 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). 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 at the most recent company-specific or country-wide rate applicable to the company. Accordingly, the cash deposit rates that will be applied to non-reviewed companies covered by this order will be the rate for that company established in the most recently completed administrative proceeding conducted under the URAA. If such a review has not been conducted, the rate established in the most recently completed administrative proceeding pursuant to the statutory provisions that were in effect prior to the URAA amendments is applicable. *See Certain Welded Carbon Steel Pipe and Tube Products from Turkey; Final Results of Countervailing Duty Administrative Reviews, 53 FR 9791.* These rates shall apply to all non-reviewed companies until a review of a company assigned these rates is requested. In addition, for the period January 1, 1997 through December 31, 1997, the assessment rates applicable to all non-reviewed companies covered by this order are the cash deposit rates in effect at the time of entry.

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 C.F.R. § 355.34(d). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

These administrative reviews and notice are issued and published in accordance with section 751(a)(1) and 777(i)(1) of the Act (19 U.S.C. 1675(a)(1) and 19 U.S.C. 1677f(i)(7)).

Dated: August 5, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Federal Approval of Minnesota's Lake Superior Coastal Program

AGENCY: National Oceanic and Atmospheric Administration, National Ocean Service.

ACTION: Notice of the National Oceanic and Atmospheric Administration, National Ocean Service's approval of Minnesota's Lake Superior Coastal Program pursuant to the Coastal Zone Management Act of 1972, as amended 16 U.S.C. 1451 et seq.

SUMMARY: Notice is hereby given that the National Oceanic and Atmospheric Administration, (NOAA) approved Minnesota's Lake Superior Coastal Program (MLSCP) on July 6, 1999, pursuant to the provisions of section 306 of the Federal Coastal Zone Management Act of 1972, as amended, 16 U.S.C. 1455 (CZMA). The MLSCP is described in Minnesota's Lake Superior Coastal Program and Final Environmental Impact Statement (P/FEIS) published in June, 1999.

Minnesota is the 33rd state to receive Federal approval of its coastal management program. Minnesota submitted a proposed coastal program to NOAA in July, 1998. Upon reaching a preliminary decision that the program met the requirements of the CZMA, and in order to meet its responsibilities under the National Environmental Policy Act, NOAA published Minnesota's Statement (P/DEIS) for public review on August 7, 1998. NOAA published the P/FEIS including public comments on the P/DEIS and responses to those comments on June 4, 1999. NOAA has also fulfilled its responsibilities under the Endangered Species Act through consultations with the U.S. Fish and Wildlife Service and National Marine Fisheries Service.

The MLSCP is the culmination of several years of development by the State of Minnesota, interest groups, the general public, Federal agencies, and in consultation with NOAA. The MLSCP consists of numerous state policies on diverse coastal management issues which are prescribed by statute and other legal mechanisms and made enforceable under state law. The MLSCP will improve the decision making process for determining appropriate coastal land and water uses in light of resource consideration and increase public awareness of coastal resources and processes. The MLSCP will increase long term protection of the state's coastal resources while providing for sustainable economic development.

NOAA approval of the MLSCP makes the state eligible for Federal financial assistance for program administration and enhancement under sections 306, 306A, 308 and 309 of the CZMA (16 U.S.C. 1455, 1455a, 1456a, and 1456b). Minnesota has submitted an application for $652,000 in FY 1999 Federal CZMA funds which are available to it. These funds will generally be used to assist the state in administering the various state and local authorities included in the MLSCP as well as be used to fund local management efforts to sustain ecosystems, sustain coastal communities, and increase public access.

NOAA approval of the MLSCP also makes operational, as of the date of this **Federal Register** Notice, the CZMA Federal consistency requirement with respect to the MLSCP (16 U.S.C. 1456; 15 CFR part 930). Therefore, as of today, direct Federal activities occurring within or outside the Minnesota Coastal