

substantive response to the Department's notice of initiation.

The domestic interested parties argue that this is consistent with 19 U.S.C. 1675(c)(4)(B) and the SAA, which provide that, where the government waives participation, the Department will conclude that revocation or termination would be likely to lead to continuation of countervailable subsidies (see March 12, 1999 comments of domestic interested parties at 3).

In this sunset review, as argued by the domestic interested parties, the Department is required by section 751(c)(4)(B) of the Act to find likelihood on the basis that the government of Brazil and the respondents waived their right to participate in this review. The participation of the government that has provided subsidies is necessary to determine that the producers/exporters of subject merchandise no longer receive subsidies and, without such participation, we must conclude that the producers/exporters continue to be subsidized. Therefore, consistent with the statute and SAA, the Department determines that revocation of the order is likely to result in continuation or recurrence of a countervailable subsidy.

Net Countervailable Subsidy

In the *Sunset Policy Bulletin*, the Department states that, consistent with the SAA and House Report, the Department normally will select a rate from the investigation because that is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order or suspension agreement in place. However, the *Sunset Policy Bulletin* also allows for adjustments to be made to the net subsidy rate likely to prevail where programs have either been terminated, with no residual benefits, and where the Department has found new countervailable programs to exist.⁵ Additionally, where the Department determined company-specific countervailable subsidy rates in the original investigation, the *Sunset Policy Bulletin* states that the Department will report to the Commission company-specific rates for those companies from the original investigation as well as an "all others" rate (see *Sunset Policy Bulletin* at section III.A.4).

The domestic interested parties cite the SAA statement that the Administration intends that Commerce normally will select the rate from the investigation because that is the only

calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order in place (see March 3, 1999 Substantive Response of domestic interested parties at 45). Therefore, the domestic interested parties argue that the Department should determine that the net countervailable subsidy likely to prevail should be the country-wide rate of 3.47 percent, the rate set forth in the original investigation.

The Department disagrees with the domestic interested parties' position with respect to the appropriate subsidy rate to be reported to the Commission. As acknowledged by the domestic interested parties, in this case, the Department found that all of the countervailable subsidy programs have been terminated, without likelihood of reinstatement. Absent information on usage of other countervailable subsidy programs, the Department has no basis on which to determine the net countervailable subsidy likely to prevail.

Nature of the Subsidy

In the *Sunset Policy Bulletin*, the Department states that, consistent with section 752(a)(6) of the Act, the Department will provide information to the Commission concerning the nature of the subsidy and whether the subsidy is a subsidy described in Article 3 or Article 6.1 of the Subsidies Agreement. In their March 3, 1999 substantive response, the domestic interested parties, did not address this issue. However, since all of the known countervailable programs have been terminated, there is no nature of the subsidy to report to the Commission.

Final Results of Review

As a result of this review, the Department finds that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. However, as a result of termination of all known countervailable programs, the Department is unable to determine the net countervailable subsidy likely to prevail.

This notice serves as the only 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 351.305 of the Department's regulations. Timely 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.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: August 30, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-427-603]

Final Results of Expedited Sunset Review: Brass Sheet and Strip from France

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

ACTION: Notice of Final Results of Expedited Sunset Review: Brass Sheet and Strip from France.

SUMMARY: On February 1, 1999, the Department of Commerce ("the Department") initiated a sunset review of the countervailing duty order on brass sheet and strip from France (64 FR 4840) pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On the basis of a notice of intent to participate and adequate substantive comments filed on behalf of domestic interested parties, as well as inadequate response (in this case, no response) from respondent interested parties, the Department determined to conduct an expedited (120 day) review. As a result of this review, the Department finds that termination of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. The net countervailable subsidy and the nature of the subsidy are identified in the "Final Results of Review" section of this notice.

FOR FURTHER INFORMATION CONTACT: Kathryn B. McCormick or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, US Department of Commerce, 14th Street & Constitution Avenue, NW, Washington, D.C. 20230; telephone: (202) 482-1698 or (202) 482-1560, respectively.

EFFECTIVE DATE: September 3, 1999.

Statute and Regulations

This review was conducted pursuant to sections 751(c) and 752 of the Act. The Department's procedures for the

⁵ See sections III.B.1, III.B.3.A, and III.B.3.C of the *Sunset Policy Bulletin*.

conduct of sunset reviews are set forth in *Procedures for Conducting Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) ("*Sunset Regulations*"). Guidance on methodological or analytical issues relevant to the Department's conduct of sunset reviews is set forth in the Department's Policy Bulletin 98:3—*Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871 (April 16, 1998) ("*Sunset Policy Bulletin*").

Scope

This order covers shipments of coiled, wound-on-reels (traverse wound), and cut-to-length brass sheet and strip (not leaded or tinned) from France. The subject merchandise has, regardless of width, a solid rectangular cross section over 0.0006 inches (0.15 millimeters) through 0.1888 inches (4.8 millimeters) in finished thickness or gauge. The chemical composition of the covered products is defined in the Copper Development Association ("C.D.A.") 200 Series or the Unified Numbering System ("U.N.S.") C2000; this review does not cover products with chemical compositions that are defined by anything other than the C.D.A. or U.N.S. series. The merchandise is currently classified under Harmonized Tariff Schedule ("HTS") item numbers 7409.21.00 and 7409.29.00. The HTS item numbers are provided for convenience and U.S. Customs purposes. The written description remains dispositive.

This review covers all producers and exporters of brass sheet and strip from France.

History of the Order

The Government of France, Pechiney S.A. ("Pechiney") and Trefimetaux S.A. ("Trefimetaux") participated in the original investigation. Two programs were found to confer subsidies: (1) Government Equity Infusion and Other Financial Assistance to Trefimetaux, and (2) Certain Financing from Credit National.

The Department published its final affirmative countervailing duty determination on brass sheet and strip from France in the **Federal Register** on January 12, 1987 (52 FR 1218) and issued the countervailing duty order on March 6, 1987 (52 FR 6996). The Department determined the estimated net subsidy to be 7.24 percent and the order remains in effect for all producers and exporters of brass sheet and strip from France. The Department has not

conducted any administrative reviews since the issuance of the order.

Background

On February 1, 1999, the Department initiated a sunset review of the countervailing duty order on brass sheet and strip from France (64 FR 4840), pursuant to section 751(c) of the Act. The Department received a Notice of Intent to Participate on behalf of Heyco Metals, Inc. ("Heyco"), Hussey Copper Ltd. ("Hussey"), Olin Corporation-Brass Group ("Olin"), Outokumpu American Brass ("Outokumpu") (formerly American Brass Company), PMX Industries, Inc. ("PMX"), Revere Copper Products, Inc. ("Revere"), the International Association of Machinists and Aerospace Workers, the United Auto Workers (Local 2367), and the United Steelworkers of America (AFL/CIO-CLC) (hereinafter, collectively "domestic interested parties") on February 16, 1999, within the deadline specified in section 351.218(d)(1)(i) of the *Sunset Regulations*. We received a complete substantive response from the domestic interested parties on March 3, 1999, within the 30-day deadline specified in the *Sunset Regulations* under section 351.218(d)(3)(i).

The domestic interested parties claimed interested party status under 19 U.S.C. 1677(9)(C) and (D) as well as under sections 771(9)(C) and (D) of the Act, as domestic brass mills, rerollers, and unions engaged in the production of brass sheet and strip. With the exception of Heyco, all of the aforementioned parties were original petitioners in this case.

We did not receive a substantive response from any respondent interested party to this proceeding. Pursuant to section 351.218(d)(2)(iii) of the *Sunset Regulation*, this constitutes a waiver of participation. As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C), the Department determined to conduct an expedited, 120-day, review of this order.

The Department determined that the sunset review of the countervailing duty investigation on brass sheet and strip from France is extraordinarily complicated. In accordance with 751(c)(5)(C)(v) of the Act, the Department may treat a review as extraordinarily complicated if it is a review of a transition order (i.e., an order in effect on January 1, 1995). (See section 751(c)(6)(C) of the Act.) Therefore, on June 7, 1999, the Department extended the time limit for completion of the final results of this review until not later than August 30,

1999, in accordance with section 751(c)(5)(B) of the Act.¹

Determination

In accordance with section 751(c)(1) of the Act, the Department is conducting this review to determine whether termination of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, the Department shall consider the net countervailable subsidy determined in the investigation and subsequent reviews, and whether any change in the program which gave rise to the net countervailable subsidy has occurred and is likely to affect that net countervailable subsidy. Pursuant to section 752(b)(3) of the Act, the Department shall provide to the International Trade Commission ("the Commission") the net countervailable subsidy likely to prevail if the order is revoked. In addition, consistent with section 752(a)(6), the Department shall provide to the Commission information concerning the nature of the subsidy and whether it is a subsidy described in Article 3 or Article 6.1 of the 1994 WTO Agreement on Subsidies and Countervailing Measures ("Subsidies Agreement").

The Department's determinations concerning continuation or recurrence of a countervailable subsidy, the net countervailable subsidy likely to prevail if the order is revoked, and nature of the subsidy are discussed below. In addition, the domestic interested parties' comments with respect to each of these issues are addressed within the respective sections.

Continuation or Recurrence of a Countervailable Subsidy

Drawing on the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act ("URAA"), specifically the SAA, H.R. Doc. No. 103-316, vol. 1 (1994), the House Report, H.R. Rep. No. 103-826, pt.1 (1994), and the Senate Report, S.

¹ See *Porcelain-on-Steel Cooking Ware From the People's Republic of China*, *Porcelain-on-Steel Cooking Ware From Taiwan*, *Top-of-the-Stove Stainless Steel Cooking Ware From Korea (South)* (AD & CVD), *Top-of-the-Stove Stainless Steel Cooking Ware From Taiwan* (AD & CVD), *Standard Carnations From Chile* (AD & CVD), *Fresh Cut Flowers From Mexico*, *Fresh Cut Flowers From Ecuador*, *Brass Sheet and Strip From Brazil* (AD & CVD), *Brass Sheet and Strip From Korea (South)*, *Brass Sheet and Strip From France* (AD & CVD), *Brass Sheet and Strip From Germany*, *Brass Sheet and Strip From Italy*, *Brass Sheet and Strip From Sweden*, *Brass Sheet and Strip From Japan*, *Pompon Chrysanthemums From Peru: Extension of Time Limit for Final Results of Five-Year Reviews*, 64 FR 30305 (June 7, 1999).

Rep. No. 103-412 (1994), the Department issued its *Sunset Policy Bulletin* providing guidance on methodological and analytical issues, including the basis for likelihood determinations. The Department clarified that determinations of likelihood will be made on an order-wide basis (see section III.A.2 of the *Sunset Policy Bulletin*). Additionally, the Department normally will determine that revocation of a countervailing duty order is likely to lead to continuation or recurrence of a countervailable subsidy where (a) A subsidy program continues, (b) a subsidy program has been only temporarily suspended, or (c) a subsidy program has been only partially terminated (see section III.A.3.a of the *Sunset Policy Bulletin*). Exceptions to this policy are provided where a company has a long record of not using a program (see section III.A.3.b of the *Sunset Policy Bulletin*).

In addition to considering the guidance on likelihood cited above, section 751(c)(4)(B) of the Act provides that the Department shall determine that revocation of an order is likely to lead to continuation or recurrence of dumping where a respondent interested party waives its participation in the sunset review. Pursuant to the SAA, at 881, in a review of a countervailing duty order, when the foreign government has waived participation, the Department shall conclude that revocation of the order would be likely to lead to a continuation or recurrence of a countervailable subsidy for all respondent interested parties.² In the instant review, the Department did not receive a response from the foreign government or from any other respondent interested party. Pursuant to section 351.218(d)(2)(iii) of the *Sunset Regulations*, this constitutes a waiver of participation.

The domestic interested parties argue that revocation of the countervailing duty order on brass sheet and strip from France will result in the continuation or recurrence of a countervailable subsidy. Citing the SAA, the domestic interested parties assert that continuation, temporary or partial termination of a subsidy program will be highly probative of the likelihood of continuation or recurrence of countervailable subsidies, absent significant evidence to the contrary (see March 3, 1999 Substantive Response of domestic interested parties at 33). The domestic interested parties assert that there is no indication that the French government's subsidy programs have been modified or eliminated (see March

3, 1999 Substantive Response of domestic interested parties at 38), and they submit as support the fact that the order has never been subject to an administrative review.

In its final countervailing duty determination (January 12, 1987; 52 FR 1218), the Department concluded that the Government of France was providing countervailable subsidies to exporters of the subject merchandise through two different programs: (1) Government Equity Infusion and Other Financial Assistance and (2) Certain Financing from Credit National. Trefimetaux, the sole producer/exporter reviewed by the Department, was determined to be receiving subsidies through both of these programs.

There have been no administrative reviews of this order, nor has any evidence been submitted to the Department demonstrating the termination of these programs that conferred countervailable subsidies. Therefore, it is reasonable to assume that these programs continue to exist and are utilized. Absent argument and evidence to the contrary, the Department determines that there is a likelihood of continuation or recurrence of a countervailable subsidy if the order were revoked.

Net Countervailable Subsidy

In the *Sunset Policy Bulletin*, the Department stated that, consistent with the SAA and House Report, the Department normally will select a rate from the investigation, because that is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order or suspension agreement in place. The Department noted that this rate may not be the most appropriate rate if, for example, the rate was derived from subsidy programs which were found in subsequent reviews to be terminated, there has been a program-wide change, or the rate ignores a program found to be countervailable in a subsequent administrative review.³

The domestic interested parties, citing the SAA, note that the Administration intends that Commerce normally will select the rate from the investigation, because that is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order in place (see March 3, 1999 Substantive Response of domestic interested parties at 45). Therefore, the domestic interested parties argue that the Department should determine that the net countervailable subsidy likely to prevail

is 7.24 percent, the rate set forth in the original investigation.

The rate determined in the original investigation was 7.24 percent for all imports of brass sheet and strip from France, and, as noted above, there have been no administrative reviews of this order. Absent administrative review, the Department has never found that substantive changes have been made to the programs found to be countervailable. Therefore, since no changes have been made to any of the French subsidy programs, and absent any argument and evidence to the contrary, the Department determines that the net countervailable subsidy that would be likely to prevail in the event of revocation of the order would be 7.24 percent. This rate is for all producers and exporters of the subject merchandise from France.

Nature of the Subsidy

In the *Sunset Policy Bulletin*, the Department states that, consistent with section 752(a)(6) of the Act, the Department will provide to the Commission information concerning the nature of the subsidy, and whether the subsidy is a subsidy described in Article 3 or Article 6.1 of the Subsidies Agreement. The domestic interested parties did not address this issue in their substantive response of March 3, 1999.

Because the receipt of benefit under one of the two programs is contingent on exports, this program falls within the definition of an export subsidy under Article 3.1(a) of the Subsidies Agreement. The remaining program, although not falling within the definition of an export subsidy under Article 3.1(a) of the Subsidies Agreement, could be found to be inconsistent with Article 6 if the net countervailable subsidy exceeds five percent, as measured in accordance with Annex IV of the Subsidies Agreement. The Department, however, has no information with which to make such a calculation, nor do we believe it appropriate to attempt such a calculation in the course of a sunset review. Rather, we are providing the Commission with the following program descriptions.

Certain Financing from Credit National. Trefimetaux received countervailable subsidies under a program of loans provided by Credit National, which has a strong relationship with the Government (the President of France appoints the General Manager). In this case, the Department found that Trefimetaux received special loans from Credit National between 1976 and 1985.

² See 19 CFR 351.218(d)(2)(iv).

³ See section III.B.3 of the *Sunset Policy Bulletin*.

Specifically, Credit National provided to Trefimetaux a loan with an interest reduction contingent upon increasing exports, including the subject merchandise. Therefore, the Department determines that this program constituted an export subsidy.

Government Equity Infusion and Other Financial Assistance to Trefimetaux. This program enabled Trefimetaux to receive equity infusions and other financial assistance from Pechiney, its parent company, from 1982 to 1985. Pechiney received direct equity infusions from the Government of France, and provided them to Trefimetaux through (1) equity infusions, (2) loans on terms inconsistent with commercial considerations, and (3) government grants during a period when Trefimetaux was determined by the Department to be neither equity nor credit-worthy.

Final Results of Review

As a result of this review, the Department finds that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. The net countervailable subsidy has been determined to be:

Manufacturer/Exporter	Margin (percent)
Trefimetaux S.A.	7.24
All Others	7.24

The Government of France's subsidy programs, as determined in the original investigation, have been deemed to be countervailable subsidies within the definitions provided by Article 3 and Article 6.1 of the Subsidies Agreement, and all of these subsidy programs, as determined in the original investigation, remain in place today.

This notice serves as the only 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 351.305 of the Department's regulations. Timely 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.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: August 30, 1999.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

Final Results of Expedited Sunset Review: Top-of-the-Stove Stainless Steel Cookware From Taiwan

[C-583-604]

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

ACTION: Notice of Final Results of Expedited Sunset Review: Top-of-the-Stove Stainless Steel Cookware from Taiwan.

SUMMARY: On February 1, 1999, the Department of Commerce ("the Department") initiated a sunset review of the countervailing duty order on top-of-the-stove stainless steel cookware from Taiwan (64 FR 4840) pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On the basis of a notice of intent to participate and an adequate substantive response filed on behalf of domestic interested parties and an inadequate response (in this case, no response) from respondent interested parties, the Department determined to conduct an expedited review. As a result of this review, the Department finds that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. The net countervailable subsidy and the nature of the subsidy are identified in the *Final Results of Review* section of this notice.

FOR FURTHER INFORMATION CONTACT: Darla D. Brown or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Ave., NW., Washington, D.C. 20230; telephone: (202) 482-3207 or (202) 482-1560, respectively.

EFFECTIVE DATE: September 3, 1999.

Statute and Regulations:

This review was conducted pursuant to sections 751(c) and 752 of the Act. The Department's procedures for the conduct of sunset reviews are set forth in *Procedures for Conducting Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) ("Sunset

Regulations"). Guidance on methodological or analytical issues relevant to the Department's conduct of sunset reviews is set forth in the Department's Policy Bulletin 98:3—*Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*; Policy Bulletin, 63 FR 18871 (April 16, 1998) ("Sunset Policy Bulletin").

Scope

The merchandise subject to this countervailing duty order is top-of-the-stove stainless steel cookware ("cookware") from Taiwan. The subject merchandise is all non-electric cooking ware of stainless steel which may have one or more layers of aluminum, copper or carbon steel for more even heat distribution. The subject merchandise includes skillets, frying pans, omelette pans, saucepans, double boilers, stock pots, dutch ovens, casseroles, steamers, and other stainless steel vessels, all for cooking on stove top burners, except tea kettles and fish poachers.

Excluded from the scope of the orders are stainless steel oven ware and stainless steel kitchen ware. "Universal pan lids" are not within the scope of the order (57 FR 57420, December 4, 1992).

Cookware is currently classifiable under Harmonized Tariff Schedule (HTS) item numbers 7323.93.00 and 9604.00.00. The HTS item numbers are provided for convenience and Customs purposes only. The written description remains dispositive.

History of the Order

The countervailing duty order on cookware from Taiwan was published in the **Federal Register** on January 20, 1987 (52 FR 2141).

In the original investigation of cookware from Taiwan, the Department determined the following four programs conferred countervailable export subsidies:

- (1) Export Loss Reserve—0.001 percent ad valorem;
- (2) 25 Percent Income Tax Ceiling for Big Trading Companies—0.010 percent ad valorem;
- (3) Over-Rebate of Duty Drawback on Imported Materials Physically Incorporated in Export Merchandise—2.128 percent ad valorem; and
- (4) Rebate of Import Duties and Indirect Taxes on Imported Materials Not Physically Incorporated in Export Merchandise—0.002 percent ad valorem.¹

¹ Final Affirmative Countervailing Duty Determination: Certain Stainless Steel Cooking Ware from Taiwan, 51 FR 42891 (November 26, 1986).