

the cash deposit rate will be 14.67 percent, the all-others rate established in the LTFV investigation.

These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26(b) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act and 19 CFR 353.22.

Dated: May 30, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-14870 Filed 6-5-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-504]

Porcelain-on-Steel Cookware From Mexico; Notice of Extension of Time Limit for Antidumping Duty Administrative Review

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

EFFECTIVE DATE: June 6, 1997.

FOR FURTHER INFORMATION CONTACT: Kate Johnson/Dolores Peck at (202) 482-4929, or David Goldberger at (202) 482-4136, Office of AD/CVD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

SUMMARY: The Department of Commerce (the Department) is extending the time limit for the final results of the ninth administrative review of the antidumping duty order on porcelain-on-steel cookware from Mexico. The period of review is December 1, 1994, through November 30, 1995. This extension is made pursuant to the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (hereinafter, "the Act").

Postponement

Under the Act, the Department may extend the deadline for completion of an administrative review if it determines it is not practicable to complete the review within the statutory time limit. The Department finds that it is not practicable to complete the ninth administrative review of porcelain-on-steel cookware from Mexico within this time limit due to the complex nature of certain issues in this review which require further investigation.

In accordance with section 751(a)(3)(A) of the Act, the Department will extend the time for completion for the final results of this review to 180 days after the date on which notice of the preliminary results was published in the **Federal Register**.

Dated: May 29, 1997.

Jeffrey P. Bialos,

Principal Deputy Assistant Secretary for Import Administration.

[FR Doc. 97-14873 Filed 6-5-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-485-602]

Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from Romania; Final Results of Antidumping Duty Administrative Review

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

ACTION: Notice of final results of Antidumping Duty Administrative Review.

SUMMARY: On December 2, 1996, the Department of Commerce ("the Department") published the preliminary results of its administrative review of the antidumping duty order on tapered roller bearings and parts thereof, finished or unfinished, (TRBs) from Romania (61 FR 63826-28). The review covers one exporter and two producers of subject merchandise for the period June 1, 1993 through May 31, 1994. We received comments from interested parties with regard to the Department's preliminary determination to deny Tehnoimportexport a separate rate for this review (see Comment 4 below). Upon consideration of interested parties' comments, for the final results of review, we reaffirm our determination that TIE is not entitled to a separate rate. Based on our analysis of

all comments received, we determine the country-wide dumping margin for Romania to be zero percent for this review period.

EFFECTIVE DATE: June 6, 1997.

FOR FURTHER INFORMATION CONTACT: Rick Johnson or Jean Kemp, AD/CVD Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Ave., N.W., Washington, D.C. 20230; telephone: (202) 482-3793.

SUPPLEMENTARY INFORMATION:

Applicable Statutes and Regulations

Unless otherwise stated, all citations to the statute and to the Department's regulations are references to the provisions as they existed on December 31, 1994.

Background

On December 2, 1996, the Department published in the **Federal Register** (61 FR 63826) the preliminary results of its administrative review of the antidumping duty order on TRBs from Romania (52 FR 23320). We have now completed this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act), and 19 C.F.R. 355.22.

Scope of Review

Imports covered by this review are shipments of TRBs from Romania. These products include flange, take-up cartridge, and hanger units incorporating tapered roller bearings, and tapered roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use. This merchandise is currently classifiable under Harmonized Tariff Schedule (HTS) item numbers 8482.20.00, 8482.91.00, 8482.99.30, 8483.20.40, 8483.30.40, and 8483.90.20. Although the HTS item numbers are provided for convenience and Customs purposes, the written description of the scope of this order remains dispositive.

This review covers eight companies and the period June 1, 1993 through May 31, 1994. Of the eight companies for which petitioner requested a review, only Tehnoimportexport, S.A. ("TIE") made shipments of the subject merchandise to the United States during the period of review. S.C. Rulmenti Alexandria and S.C. Rulmenti S.A. Brasov produced the merchandise sold by TIE to the United States, but have stated that they did not ship TRBs directly to the United States. Tehnoforestexport, Rulmenti S.A. Birlad, S.C. Rulmenti Grei S.A. Ploiesti,

S.C. Rulmenti S.A. Slatina, and S.C. URB Rulmenti S.A. Suceava have responded that they did not produce or sell TRBs subject to this review.

Analysis of Comments Received

We gave interested parties an opportunity to comment on the preliminary results. We received comments from respondent, TIE; petitioner, the Timken Company; and Universal Automotive Trading Company, Ltd. (Universal), an interested party. Comments submitted consisted of petitioner's case brief of December 31, 1996 and rebuttal brief of January 9, 1997; respondents' case brief of January 2, 1997 and rebuttal brief of January 8, 1997; and Universal's rebuttal brief of January 8, 1997.

Comment 1: Petitioner asserts that the Department's use of factory overhead and selling, general and administrative (SG&A) data from the *Preliminary Results of Review: Welded Carbon Steel Pipe and Tube from Turkey* is contrary to law and otherwise unreasonable for several reasons. First, petitioner claims that the Department had available to it overhead and SG&A information for producers of bearings in Thailand, which the Department used in the 1994/95 review of this order. Petitioner maintains that the determination in the 1994/95 review that Thailand is at a level of economic development comparable to that of Romania should also apply to this review period, as the per capita GNP of Thailand in 1993 was closer to that of Romania than either Poland's or Turkey's (according to the World Bank's *World Development Report* 1995).

Second, petitioner argues that the use of data for pipes and tubes is inappropriate because the statute, at 19 U.S.C. § 1677b(c) (1)(B) and (2)(A), requires use of surrogate values for production of comparable merchandise. Petitioner stresses that pipes and tubes are not comparable to bearings. Specifically, petitioner notes that the pipe and tube industry is a basic steel industry which does not require the same degree of precision and technology required to produce subject merchandise. Additionally, petitioner argues that no domestic or international classification system places pipes and tubes and bearings within groups of products or industries that can be defined as encompassing similar or comparable merchandise.

Third, because the final results have not been issued in *Turkish Pipe and Tube*, petitioner argues that its results have not been approved or adopted by the Department as reliable.

Respondent maintains that the Department should continue to use the statutory minimum for SG&A expenses for the purposes of the final results, rather than relying on the Thai data. Respondent argues that petitioner's proposal to use Thai data would be contrary to law and unacceptable for several reasons. First, respondent notes that Thailand was not selected as a potential surrogate country for Romania in this administrative review.

Second, respondent argues that the Thailand data, which is from the period 1988-90, is out of date. In contrast, the Turkish data is based upon contemporaneous data and is therefore, according to respondent, more appropriate.

Third, respondent asserts that the Thai data is flawed in numerous ways: (1) there are vast differences between the Thai producers and the Romanian producers of TRBs; (2) the Department's use of the Thai data from a previous review was based solely upon best information available (BIA); (3) the Thai data includes certain inapplicable SG&A and other expenses; and (4) the Thai data is aberrational, constituting the highest SG&A rate ever found by the Department.

With regard to petitioner's assertion that the Turkish data is unusable because it pertains to an industry other than bearings, respondent claims that the Department "regularly" uses surrogate data from sources which are not identical to the industry being reviewed. Respondent also claims that the Turkish rate used was for galvanized pipe, a more complex product than regular pipe. Moreover, respondent states that the Thai data applies to the production of miniature bearings used in high-tech applications, while the Romanian factories employ a technology more akin to the manufacture of pipe than to "highly complex" miniature bearings.

Regarding petitioner's assertion that the Turkish data has not been "approved" by the Department because it has not been used for a final results notice, respondent argues that the Department "regularly" uses unverified financial statements from companies which are not involved in antidumping reviews as the basis for surrogate data. Respondent stresses that it is public data of the type commonly used by the Department for NME cases.

Department's Position: We disagree with petitioner that Thailand should be used as a surrogate instead of Turkey for overhead and SG&A values.

While petitioner has stressed that Thailand's per capita GNP was similar to Romania's for the POR, we note that

this factor does not provide the sole basis for determining economic comparability. As discussed in the Department's surrogate country selection memorandum, "the countries selected as potential surrogates were determined to be at a level of economic development comparable to Romania in terms of national distribution of labor and growth rates, as well as per capita GNP." See *Memorandum to the File: Selection of the surrogate country in the 1993/1994 administrative review of tapered roller bearings and parts thereof, finished or unfinished, from Romania*, page 3 (May 4, 1996), which is on file in the Central Records Unit (room B099 of the Main Commerce Building). Considering all three factors together, Thailand was not included on the Department's list of surrogate countries for this review period. Therefore, Thailand is not the most appropriate choice to meet the requirement, under section 773(c)(4)(A), to use a surrogate country that is at a level of economic development comparable to that of Romania.

With regard to petitioner's objection to the use of data from the Turkish pipe and tube industry because it is not an industry comparable to tapered roller bearings, as we noted in the Department's first surrogate country selection memorandum, the term "comparable" encompasses a larger set of products than "such or similar." The Department also noted that it has, in past cases, identified comparable merchandise on the basis of similarities in production factors (physical and non-physical) and factor intensities. See *Memorandum for Michael Rill: Surrogate Country Selection for Tapered Roller Bearings from Romania*, page 1 (March 24, 1995), on file in the Central Records Unit, citing *Notice of Preliminary Determination of Sales at Less than Fair Value and Postponement of Determinations: Magnesium and Alloy Magnesium from the PRC*, 59 FR 55424 (1994). Moreover, in *Beryllium from Kazakhstan*, the Department selected a surrogate country which was not a producer of either the same or comparable merchandise, because there was no information on a market economy country which produced beryllium and was at a level of development comparable to that of Kazakhstan. See *Notice of Preliminary Determination of Sales at Less than Fair Value and Postponement of Final Determination: Beryllium Metal and High Beryllium Alloys from Kazakhstan*, 61 FR 44213, 44295 (August 28, 1996).

Concerning petitioner's assertion that the Department should not rely on data which has not been "approved" by the

Department because it has not been used for the final results, we note that this information is publicly available published information. Absent information on the record which leads the Department to question the accuracy and appropriateness of such data, the Department normally accepts publicly available published information as reliable.

Because the Department had no useable information from Poland for this expense, and because both industries are processors of primary hot- and cold-rolled carbon steel products, the Department determines that the utilization of Turkish pipe and tube data is consistent with its statutory requirement.

Comment 2: Petitioner claims that there is no assurance that the Turkish overhead and SG&A data includes costs for indirect labor. Petitioner states that the Department must assure that indirect labor is included in the final foreign market value.

Respondent argues that the Turkish response implies that indirect labor costs have been included. Therefore, the derivation of a separate value for indirect labor would result in a double-counting of this factor.

Department's Position: We disagree with petitioner's supposition that indirect labor costs and wages and salaries for non-production workers, which are standard components of a company's reported overhead and SG&A, have not been included in the Turkish data merely because this component has not been explicitly itemized in the public versions of the cost responses in *Turkish Pipe and Tube*. In the Turkish case, the Department asked for direct labor to be reported separately. The Department did not make this request for indirect labor or for the salaries paid to non-production workers. This Departmental practice should in no way be interpreted as an implication that indirect labor costs have not been included in the overhead and SG&A data. As the questionnaire in *Turkish Pipe and Tube* stated, general and administrative expenses would include "general and administrative expenses of the corporate headquarters" (at page 68), and variable overhead expenses "may include * * * indirect labor" (at page 67). Respondent Yücelboru Ihracat, İthalat ve Pazarlama A.Ş., elaborated on its reporting in a November 7, 1996 submission, stating that variable overhead "includes all overhead expenses except for depreciation." Therefore, there is no evidence suggesting that indirect labor has been excluded from the Turkish respondent's overhead and SG&A data.

Comment 3: Petitioner maintains that the value used for Polish hot-rolled scrap is unreasonably high in comparison with the value of the finished product, as scrap is assigned a value that is over 50% of the value of bar for cups and cones and over 40% of the value of the rod for rollers. Instead of the hot-rolled scrap value, petitioner asserts that the Department should apply values that bear the same relationship to the hot-rolled bar and rod values as the cold-rolled scrap value bears to the cold-rolled sheet value. Petitioner asserts that the Court of International Trade in fact has rejected scrap values that, when compared with the value of finished steel, were unreasonably high.

Respondent supports the Department's allocation of steel scrap values. Respondent suggests that there is nothing aberrant about the fact that scrap values vary over time. Additionally, respondent states that the use of a steel scrap ratio derived from cold-rolled components would be, by its very nature, less accurate.

Department's Position: We disagree with petitioner that the value for Polish hot-rolled scrap is unreasonably high in comparison with the value of the finished product. Petitioner seems to object to the use of the Polish hot-rolled scrap price based solely on the fact that the price is, in petitioner's opinion, too high. However, petitioner offers no evidentiary support to its claim that the scrap price is aberrant, or in any way out of line with hot-rolled scrap prices for that time period.

Petitioner's claim that the Court of International Trade has rejected scrap values that were unreasonably high when compared with the value of finished steel is incorrect. In *Timken Co. v. United States*, 699 F. Supp. 300 (CIT 1988), the Court rejected the Department's use of two telexes whose "inconsistency is laid bare when used in conjunction with the raw material prices listed in the Steel Authority of India's *Statistics for Iron and Steel Industry in India*." The inconsistency to which the Court refers is with regard to the information presented in the telexes (not with regard to the Indian raw material prices), as the Court stated that the Department "provides no contemporaneous rationale for concluding that one cost quotation in the telex is more appropriate than the other." See *Timken Co. v. United States*, 699 F. Supp. at 307. Clearly, if all the information in the two telexes had indicated that a high scrap value relative to material cost was appropriate, no inconsistency would have existed. Thus, we find that

petitioner's cite to *Timken Co. v. United States* is inapposite.

As discussed above, petitioner has not shown why the Department should not use the Polish hot-rolled scrap value. Moreover, petitioner has failed to support its proposal that the Department should apply a hot-rolled scrap value based on the ratio of cold-rolled scrap value to cold-rolled sheet value. Even assuming that the hot-rolled scrap value is inappropriate, petitioner has not explained why the use of a ratio for cold-rolled components is an appropriate alternative (e.g., as opposed to some other type of steel, or a hot-rolled scrap value from another period).

Comment 4: Respondent claims that it meets the criteria for a separate rate, and that the Department, in refusing to provide a separate rate for TIE, has overlooked "substantial" changes both in Romania and at TIE.

Respondent states that the progression into private ownership of TIE, in which there is no government control over the daily activities of TIE or with respect to TIE's exports, substantiates a separate rate determination. Additionally, respondent argues that the Department has failed to establish a causal connection between governmental selection of management and actual control of export prices. Finally, TIE claims that, even in the context of a test for market-economy status, the Department does not determine that "government ownership" of state-owned enterprises precludes their independence.

Universal Automotive Trading, Inc. ("Universal"), an interested party in this proceeding, supports respondent's argument.

Petitioner argues that, because the Department found in a subsequent review that respondents did not meet the criteria for a separate rate, and nothing in the record of this review indicates any less government involvement, the Department should uphold its preliminary determination in this review that TIE is not entitled to a separate rate.

Department's Position: We agree with petitioner. In the final results of review notice for the period 1994/95, the Department described the ownership and management structure of TIE. See *Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from the Republic of Romania; Final Results and Rescission in Part of Antidumping Duty Administrative Review*, ("TRBs from Romania") 61 FR 51427, 51431 (October 2, 1996) (Comment 15). Significantly, there is no difference on the record in either the ownership or the management structure between that

review and this one. Therefore, for this review period, we find that TIE has not established that it has autonomy in making decisions regarding the selection of its management. For this reason, there is insufficient record evidence of the absence of *de facto* government control over TIE to entitle TIE to a separate rate.

Comment 5: Respondent claims that the Department's labor calculation, based on Polish data, is erroneous. First, respondent claims that, in the event the Department utilizes the Polish data for the final results, it should exclude bonus payments from profits, as it assumes profits were made by Polish bearing companies. Universal supports respondent's argument.

Second, respondent asserts that it is unfair to use a labor rate from Poland, a country with an allegedly much larger per capita income, without adjusting such labor rates to account for the disparity in incomes. Respondent proposes that the Department use an average labor rate, taking the simple average of Ecuador (a country with a similar per capita GNP to Romania) and Poland.

Petitioner maintains that bonus payments are part of employees' remuneration and are properly included in a company's labor costs, and that it is irrelevant whether part of the compensation is paid in the form of bonuses or other fringe benefits. As costs incurred by the employer, petitioner claims that they must be included in any fully-loaded calculation of labor costs.

Petitioner rebuts respondent's assertion regarding the use of a Polish labor rate by noting that surrogate values are used in the Department's NME methodology because so-called "actual" costs incurred and prices paid in a nonmarket economy do not reflect market forces. Therefore, according to petitioner, costs and prices in Romania are irrelevant. Additionally, petitioner rejects respondent's proposal to incorporate Ecuadorean labor data, because there is no record evidence that Ecuador produces TRBs or any other kind of antifriction bearing.

Department's Position: We agree with petitioner. The Department responded to these arguments in the final results notice for the 1994/95 review. *See TRBs from Romania*, 51430-31. As discussed therein, the Department generally does not dissect the wage rate of a surrogate country and apply only certain components to the producing company; rather, it is our practice to accept a valid surrogate wage rate as wholly applicable to the NME respondent in question. Because there are no factually

significant differences between that review and this one, the Department's determinations for the 1994/95 review apply here as well. Therefore, the Department will continue to apply the Polish labor rate, including bonus payments.

Comment 6: Respondent objects to the Department's methodology of adding freight costs to raw materials costs by the CIF/FOB conversion factor of 1.15. Respondent claims that, because Poland is contiguous to the European Union, and because the Department has utilized steel prices for exports from the European Union to Poland, the use of a figure based on average costs around the world greatly overstates the actual freight cost. Respondent concludes that in the alternative, the Department should use inland freight rates selected for shipping bearings to the port as the basis for calculating the freight rates to be attached to raw material costs. Universal supports respondent's argument.

Petitioner claims that respondent's assertion that most Polish steel was exported from Germany has no basis and is not logical, as steel imports are not dictated only or primarily by geographical proximity. Also, petitioner states that this issue was decided in the 1994/95 review, and TIE has not offered any better alternative in its case brief for this segment of the proceeding.

Department's Position: We disagree with respondent. As the Department noted in the final results notice of the 1994/95 review, although freight distances for steel imported into Poland might differ from the average freight distance reflected in the conversion factor, we have no way to ascertain that difference. *See TRBs from Romania* at 51433 (Comment 21).

With regard to respondent's proposed alternative, the Department's established methodology is to utilize information available from the primary surrogate country before turning to data pertaining to the secondary surrogate country. The CIF/FOB data is specific to Poland, our primary surrogate country for this review. Further, the Department only resorted to use of the Turkish freight rates for foreign inland freight because the Department had "no useable information for this expense." *See Memorandum to the File: Analysis for the preliminary results of the 1993/1994 administrative review of tapered roller bearings and parts thereof, finished or unfinished, from Romania—Tehnoimportexport, S.A.*, October 28, 1996, page 2, which is on file in the Central Records Unit. Clearly, the Department had useable information pertaining to Poland for freight and

insurance for raw materials inputs. Finally, use of the Turkish data would not provide a more acceptable alternative because the record of that case does not indicate whether the Turkish data includes insurance.

Comment 7: Respondent states that the Department should utilize the former statutory minimum of eight percent to calculate profit. Universal supports respondent's assertion.

Petitioner notes that respondent has offered no reason in support of its proposal. Petitioner maintains that the statutory minimum is only to be used if no data above the minimum are available. Therefore, the Department should continue to use the profit rate from the Turkish pipe and tube producer used in the preliminary results.

Department's Position: We agree with petitioner. First, we note that, as this segment of the proceeding is controlled by the pre-URAA statute, the provision of that statute and the corresponding regulation regarding the eight percent statutory minimum for profit are fully applicable to this review. *See* section 773(e)(1)(B)(ii) of the Act; 19 CFR § 353.50(a)(2).

The Department's Antidumping Manual states the Department's practice with regard to the calculation of profit when using the factors of production methodology. Specifically, it states that "if the profit in the surrogate were higher than the eight percent statutory minimum, we would use the actual profit." *See Antidumping Manual*, Chapter 8, pp. 72-73.

Moreover, as the Department noted in another case involving a non-market economy, the statute requires that we "value profit in a surrogate country, provided that the surrogate's profit percentage exceeds the statutory minimum of eight percent." *See Comment 4, Final Results of Antidumping Duty Administrative Review: Certain Iron Construction Castings from the People's Republic of China*, 57 FR 10644 (March 27, 1992). As discussed in response to Comment 1, for purposes of this review, the Department has found that the Turkish pipe and tube industry is sufficiently comparable to Romania's tapered roller bearing industry to justify using values from that industry to calculate FMV in this review. Therefore, in the absence of surrogate profit information from bearing producers, it is appropriate for the Department to utilize the profit rate from the Turkish pipe and tube producer.

Final Results of the Review

As a result of our review, we determine that the following margin exists:

Manufacturer/exporter	Time period	Margin (percent)
Romania Rate	6/1/93–5/31/94	0.00

The Department will instruct the Customs Service to assess antidumping duties on all appropriate entries. The Department will issue appraisal instructions directly to the Customs Service. Deposit rates are governed by the final results of the 1994/95 administrative review of this proceeding. *See Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, from Romania; Final Results of Antidumping Duty Administrative Review*, 61 FR 51434 (October 2, 1996).

This notice serves as a final reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This notice also 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 353.34(d)(1). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested.

Failure to comply with the regulations and 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)) and 19 CFR 353.22.

Dated: May 27, 1997.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 97-14869 Filed 6-5-97; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE**International Trade Administration**

[C-401-056]

Viscose Rayon Staple Fiber from Sweden; Preliminary Results of Countervailing Duty Administrative Review

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

ACTION: Notice of preliminary results of Countervailing Duty Administrative Review.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty order on viscose rayon staple fiber from Sweden for the period January 1, 1995 through December 31, 1995. We preliminarily determine the net subsidy to be zero percent *ad valorem* for Svenska Rayon AB (Svenska) for the period January 1, 1995 through December 31, 1995. If the final results of this review remain the same as these preliminary results, the Department intends to instruct the U.S. Customs Service to liquidate, without regard to countervailing duties, all shipments of the subject merchandise from Svenska exported on or after January 1, 1995 and on or before December 31, 1995. Interested parties are invited to comment on the preliminary results. (See **PUBLIC COMMENT** section of this notice.)

EFFECTIVE DATE: June 6, 1997.

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or Russell Morris, Office 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) 482-2786.

SUPPLEMENTARY INFORMATION:**Background**

On May 15, 1979, the Department published in the **Federal Register** (44 FR 28319) the countervailing duty order on viscose rayon staple fiber from Sweden. On May 8, 1996, the Department published a notice of "Opportunity to Request Administrative Review" (61 FR 20791) of this countervailing duty order for the period January 1, 1995 through December 31, 1995. We received a timely request for review from the petitioners, and we initiated the review on June 25, 1996, as published in the **Federal Register** (61 FR 32771).

In accordance with 19 CFR 355.22(a), this review covers only the producer or

exporter of the subject merchandise for which a review was specifically requested. Accordingly, this review covers Svenska. This review also covers ten programs.

Applicable Statute

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

Scope of the Review

Imports covered by this review are shipments from Sweden of regular viscose rayon staple fiber and high-wet modulus (modal) viscose rayon staple fiber. Such merchandise is classifiable under item number 5504.10.00 of the Harmonized Tariff Schedule (HTS). The HTS item is provided for convenience and Customs purposes. The written description remains dispositive.

Analysis of Programs

In its questionnaire response the Government of Sweden (GOS) reported that Svenska benefitted from the following programs during the period of review: (1) Investment Grants from the Working Life Fund, (2) Recruitment Incentive, (3) Trainee Temporary Replacement, and (4) Recruitment Subsidy. The Department has not previously examined these programs in this case or in other Swedish cases. Therefore, for purposes of this review, we have analyzed whether these programs confer countervailable subsidies.

I. Programs Preliminarily Determined Not to Confer Subsidies

A. Investment Grants From the Working Life Fund

On June 7, 1989, the Swedish Parliament signed Act SFS 1989:484, which stated that employers were obligated to pay a work environment charge of 1.5 percent of the basic pension contribution paid by all employers during the period September 1989 to December 1990. This contribution was for the Working Life Fund, which is a trust held by the Swedish National Judicial Board and managed by the National Judicial Board for Public Lands and Funds. As stated in Decree number 1990:130, the GOS provided aid to companies from the Working Life Fund to pay for: (1) The cost of rehabilitation measures for employees suffering from long-term impaired health; (2) costs incurred in