

Dated: August 27, 1998.

Robert Lewis, Jr.,

Acting Associate Chief.

Interim Directive to Forest Service Handbook

Note: The Forest Service organizes its directive system by alpha-numeric codes and subject headings. Only those sections of chapter 30 in Forest Service Handbook (FSH) 1909.15, Environmental Policy and Procedures Handbook, which include the interim directive that is the subject of this notice, are set out here. The audience for this interim directive is Forest Service employees charged with issuing and administering ski area permits. This interim directive adds the following category to the list of categorical exclusions in FSH 1909.15, section 31.1b:

9. Issuance of a new permit for up to the maximum tenure allowable under the National Forest Ski Area Permit Act of 1986 (16 U.S.C. 497b) for an existing ski area when such issuance is a purely ministerial action to account for administrative changes, such as a change in ownership of ski area improvements, expiration of the current permit, or a change in the statutory authority applicable to the current permit. Examples of actions in this category include, but are not limited to:

a. Issuing a permit to a new owner of ski area improvements within an existing ski area with no changes to the Master Development Plan, including no changes to the facilities or activities for that ski area.

b. Upon expiration of a ski area permit, issuing a new permit to the holder of the previous permit where the holder is not requesting any changes to the Master Development Plan, including changes to the facilities or activities.

c. Issuing a new permit under the National Forest Ski Area Permit Act of 1986 to the holder of a permit issued under the Term Permit and Organic Acts, where there are no changes in the type or scope of activities authorized and no other changes in the Master Development Plan.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-815 & A-580-816]

Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products From Korea: Preliminary Results of Antidumping Duty Administrative Reviews

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

ACTION: Notice of preliminary results of antidumping duty administrative reviews.

SUMMARY: In response to requests from three respondents and from the petitioners in the original investigation, the Department of Commerce ("the Department") is conducting administrative reviews of the antidumping duty orders on certain cold-rolled and corrosion-resistant carbon steel flat products from Korea. These reviews cover three manufacturers and exporters of the subject merchandise. The period of review ("POR") is August 1, 1996, through July 31, 1997.

We preliminarily determine that sales have been made below normal value ("NV"). If these preliminary results are adopted in our final results of administrative reviews, we will instruct U.S. Customs to assess antidumping duties equal to the difference between export price ("EP") or constructed export price ("CEP") and NV.

Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding are requested to submit with the argument: (1) a statement of the issue; and (2) a brief summary of the argument.

EFFECTIVE DATE: September 9, 1998.

FOR FURTHER INFORMATION CONTACT:

Cindy Sonmez (Union), Becky Hagen or Steve Bezirgianian (the POSCO Group), Lisette Lach (Dongbu), or James Doyle, Enforcement Group III—Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Room 7866, Washington, D.C. 20230; telephone (202) 482-0961 (Sonmez), -1102 (Hagen), -0162 (Bezirgianian), -0190 (Lach), or -0159 (Doyle).

SUPPLEMENTARY INFORMATION:

Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995,

the effective date of the amendments made to the Tariff Act of 1930 ("the Act") by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR Part 351 (62 FR 27296—May 19, 1997).

Background

The Department published antidumping duty orders on certain cold-rolled and corrosion-resistant carbon steel flat products from Korea on August 19, 1993 (58 FR 44159). The Department published a notice of "Opportunity to Request an Administrative Review" of the antidumping duty orders for the 1996/97 review period on August 4, 1997 (62 FR 41925). On August 29, 1997, respondents Dongbu Steel Co., Ltd. ("Dongbu") and Union Steel Manufacturing Co., Ltd. ("Union") requested that the Department conduct an administrative review of the antidumping duty order on corrosion-resistant carbon steel flat products from Korea. Also, on August 29, 1997, Pohang Iron and Steel Co., Ltd. ("POSCO") requested that the Department conduct administrative reviews of the antidumping duty orders on cold-rolled and corrosion-resistant carbon steel flat products from Korea. On September 2, 1997, petitioners in the original less-than-fair-value ("LTFV") investigations (AK Steel Corporation; Bethlehem Steel Corporation; Inland Steel Industries, Inc.; LTV Steel Company; National Steel Corporation; and U.S. Steel Group A Unit of USX Corporation) requested that the Department conduct administrative reviews of the antidumping duty orders on cold-rolled and corrosion-resistant carbon steel flat products from Korea with respect to all three of the aforementioned respondents. We initiated these reviews on September 19, 1997 (62 FR 52092—September 25, 1997).

Under the Act, the Department may extend the deadline for completion of administrative reviews if it determines that it is not practicable to complete the review within the statutory time limit of 365 days. On March 31, 1998, the Department extended the time limits for the preliminary results in these cases. *See Certain Cold-Rolled Carbon Steel Flat Products and Certain Corrosion-Resistant Carbon Steel Flat Products from Korea: Antidumping Duty Administrative Reviews: Extension of Time Limit*, 63 FR 16971 (April 7, 1998).

The Department is conducting these administrative reviews in accordance with section 751 of the Act.

Scope of the Reviews

The review of "certain cold-rolled carbon steel flat products" covers cold-rolled (cold-reduced) carbon steel flat-rolled products, of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished or coated with plastics or other nonmetallic substances, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule ("HTS") under item numbers 7209.15.0000, 7209.16.0030, 7209.16.0060, 7209.16.0090, 7209.17.0030, 7209.17.0060, 7209.17.0090, 7209.18.1530, 7209.18.1560, 7209.18.2550, 7209.18.6000, 7209.25.0000, 7209.26.0000, 7209.27.0000, 7209.28.0000, 7209.90.0000, 7210.70.3000, 7210.90.9000, 7211.23.1500, 7211.23.2000, 7211.23.3000, 7211.23.4500, 7211.23.6030, 7211.23.6060, 7211.23.6085, 7211.29.2030, 7211.29.2090, 7211.29.4500, 7211.29.6030, 7211.29.6080, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7215.50.0015, 7215.50.0060, 7215.50.0090, 7215.90.5000, 7217.10.1000, 7217.10.2000, 7217.10.3000, 7217.10.7000, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090. Included in this review are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling")—for example, products which have been beveled or rounded at the edges. Excluded from this review is certain shadow mask steel, *i.e.*, aluminum-killed, cold-rolled steel coil that is open-coil annealed, has a carbon content of less than 0.002 percent, is of 0.003 to 0.012 inch in thickness, 15 to 30 inches in width, and has an ultra flat, isotropic surface.

The review of "certain corrosion-resistant carbon steel flat products" covers flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant

metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the HTS under item numbers 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090. Included in this review are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling")—for example, products which have been beveled or rounded at the edges. Excluded from this review are: flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead ("terne plate"), or both chromium and chromium oxides ("tin-free steel"), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating; clad products in straight lengths of 0.1875 inch or more in composite thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness; and certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 millimeters in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%–60%–20% ratio.

These HTS item numbers are provided for convenience and customs purposes. The written descriptions remain dispositive.

The POR is August 1, 1996 through July 31, 1997. These reviews cover entries associated with sales of certain cold-rolled and corrosion-resistant carbon steel flat products by Dongbu, Union, and the POSCO Group.

Verification

We verified information provided by POSCO with respect to its costs, including on-site inspection of facilities, the examination of relevant accounting and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the cost verification report (see the August 5, 1998, Cost Verification Report—Pohang Iron and Steel Company, Ltd. from Bill Jones and Symon Monu to Christian Marsh).

Transactions Reviewed

In determining NV, based on our review of the submissions by Dongbu, the Department determined that Dongbu need not report "downstream" sales by affiliated resellers in the home market because of their small quantity. In addition, the Department determined that POSCO need not report the home market downstream sales of only those affiliated service centers in which POSCO owns a minority stake, because it appears that they would have a minimal effect upon the calculation of NV, and such reporting, to the extent it would be possible, would constitute an enormous burden. (See the July 24, 1998, memorandum from Becky Hagen to Roland MacDonald).

Consistent with prior reviews, for Union and the POSCO Group we excluded from our analysis home market sales identified by respondents as overruns because such sales were outside the ordinary course of trade. Petitioners have argued that the Department should also exclude Dongbu's lowest-priced home market sales because Dongbu refused to identify which of its home market sales involved overruns. However, Dongbu explained that it no longer tracked overruns in the ordinary course of business and that it sold its prime overruns as normal prime merchandise. In past reviews of Dongbu, we have excluded sales characterized as overrun sales, but we have not excluded sales simply because they appear to have been low-priced. We have preliminarily determined that it would be inappropriate to conclude that a broad portion of relatively low-priced Dongbu home market sales database should be treated as overruns and excluded from our analysis. However, we have also preliminarily determined that certain Dongbu home market sales

were outside the ordinary course of trade, and have excluded those transactions from our analysis. These sales were categorized by Dongbu as slow moving prime grade painted material of undesired colors which appear to have been either obsolete or clearance merchandise, and were at aberrationally low prices. See the August 31, 1998, analysis memorandum from Lisette Lach through James Doyle to the File.

Affiliated Parties

For purposes of these reviews, we are treating POSCO, Pohang Coated Steel Co., Ltd. ("POCOS"), and Pohang Steel Industries Co., Ltd. ("PSI") as affiliated parties and have "collapsed" them as a single producer of certain cold-rolled carbon steel flat products (POSCO and PSI) and certain corrosion-resistant carbon steel flat products (POSCO, POCOS, and PSI). We refer to the collapsed respondent as the POSCO Group. POSCO, POCOS, and PSI were already collapsed in previous segments of these proceedings. See, e.g., *Final Determinations of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products, Certain Cold-Rolled Carbon Steel Flat Products, Certain Corrosion-Resistant Carbon Steel Flat Products, and Certain Cut-to-Length Carbon Steel Plate from Korea*, 58 FR 37176 (July 9, 1993). POSCO has submitted no information which would cause us to change that treatment.

As in prior reviews, during this, the fourth POR, both Dongbu and Union were involved in commercial relationships with the POSCO Group. For example, both Dongbu and Union purchased hot-rolled steel coil inputs from POSCO, and Union and POCOS have a common owner, Dongkuk Steel Mill ("DSM"). Because the parties have submitted no new information regarding these commercial relationships, we have not altered our finding that these relationships do not give rise to affiliation between either Dongbu or Union and the POSCO Group.

During this review, the parties submitted information and argument regarding a joint venture in Venezuela—POSCO Venezuela C.A. ("POSVEN")—in which Dongbu U.S.A., POSCO and other investors, held interests during the POR. When on line, POSVEN will produce hot-briquetted iron, an input into the steelmaking process. Petitioners argue that Dongbu and POSCO are affiliated by virtue of Dongbu U.S.A.'s and POSCO's participation in POSVEN. We preliminarily disagree. While two or more persons that jointly control another person are affiliated under section 771(33)(F) of the Act, in this

case the entity that is jointly controlled is only indirectly connected with the manufacture and sale of the subject merchandise. The joint venture was created to produce an input that can be used as part of the production process for a wide array of steel products. We note also that Dongbu itself is not a shareholder in POSVEN, and that Dongbu U.S.A. no longer holds any interest.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all cold-rolled carbon steel flat products produced by the respondents, covered by the descriptions in the "Scope of the Reviews" section of this notice, *supra*, and sold in the home market during the POR, to be foreign like products for the purpose of determining appropriate product comparisons to U.S. sales of cold-rolled carbon steel flat products. Likewise, we considered all corrosion-resistant carbon steel flat products produced by the respondents and sold in the home market during the POR to be foreign like products for the purpose of determining appropriate product comparisons to corrosion-resistant carbon steel flat products sold in the United States. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics listed in Appendix V of the Department's antidumping questionnaire. In making the product comparisons, we matched foreign like products based on the physical characteristics reported by the respondent. Where sales were made in the home market on a different weight basis from the U.S. market (theoretical versus actual weight), we converted all quantities to the same weight basis, using the conversion factors supplied by the respondents, before making our fair-value comparisons.

Fair-Value Comparisons

To determine whether sales of certain cold-rolled and corrosion-resistant carbon steel flat products by the respondents to the United States were made at less than fair value, we compared CEP to NV, as described in the "Constructed Export Price" and "Normal Value" sections of this notice. In accordance with section 771A(d)(2) of the Act, we calculated monthly weighted-average prices for NV and compared these to individual U.S. transactions.

Interested Party Comments

On July 24, 1998, and August 7, 1998, the petitioners submitted comments regarding Union. On July 24, 1998, August 7, 1998, and August 20, 1998, the petitioners submitted comments regarding Dongbu. On August 10, 1998, and August 13, 1998, the petitioners submitted comments regarding the POSCO Group. On July 31, 1998, August 18, 1998, and August 21, 1998, the POSCO Group submitted comments. On August 18, 1998, Union and Dongbu submitted comments. While we have considered these comments for purposes of our preliminary results, because of the lateness of these submissions, we are not able to fully address the comments for these results.

Intent to Revoke

POSCO

On August 29, 1997, POSCO submitted a request, in accordance with 19 CFR 351.222(e), that the Department revoke the orders covering certain cold-rolled carbon steel flat products and certain corrosion-resistant carbon steel flat products from Korea with respect to its sales of this merchandise.

In accordance with 19 CFR 351.222(e), these requests were accompanied by a certification from POSCO that it had not sold the subject merchandise at less than NV for a three-year period, including this review period, and would not do so in the future. POSCO also agreed to its immediate reinstatement in the relevant antidumping order, as long as any firm is subject to the order, if the Department concludes under 19 CFR 351.216 that, subsequent to revocation, POSCO sold the subject merchandise at less than NV.

The POSCO Group was not reviewed during the first administrative review period. In the second administrative reviews, we determined that the POSCO Group had *de minimis* margins on both cold-rolled and corrosion-resistant steel. However, in the third administrative reviews, we determined that the POSCO Group sold both cold-rolled and corrosion-resistant carbon steel flat products at less than fair value. See *Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products from Korea: Final Results of Antidumping Duty Administrative Reviews*, 63 FR 13170 (March 18, 1998), as amended at 63 FR 20572 (April 27, 1998) ("Third Reviews"). Therefore the POSCO Group does not have three consecutive years of zero or *de minimis* margins on corrosion-resistant steel or cold-rolled steel, and thus is not eligible for revocation of the orders on

corrosion-resistant steel and cold-rolled steel under 19 CFR 351.222(e).

Dongbu

On August 29, 1997, Dongbu submitted a request, in accordance with 19 CFR 351.222(e), that the Department revoke the orders covering certain corrosion-resistant carbon steel flat products from Korea with respect to its sales of this merchandise.

In accordance with 19 CFR 351.222(e), the request was accompanied by a certification from Dongbu that it had not sold the subject merchandise at less than NV for a three-year period, including this review period, and would not do so in the future. Dongbu also agreed to its immediate reinstatement in the relevant antidumping order, as long as any firm is subject to the order, if the Department concludes under 19 CFR 351.216 that, subsequent to revocation, Dongbu sold the subject merchandise at less than NV.

In the third administrative review of corrosion-resistant steel, we determined that Dongbu sold corrosion-resistant carbon steel flat products at less than fair value. *See Third Reviews* at 63 FR 13170 (March 18, 1998), as amended at 63 FR 20572 (April 27, 1998). Additionally, as discussed below, we have preliminarily determined that during the fourth review period Dongbu sold certain corrosion-resistant carbon steel flat products at less than fair value. Consequently, we preliminarily determine that because Dongbu does not have three consecutive years of zero or *de minimis* margins on corrosion-resistant steel, it is not eligible for revocation of the order on corrosion-resistant steel under 19 CFR 351.222(e).

Date of Sale

It is the Department's current practice normally to use the invoice date as the date of sale, although we may use a date other than the invoice date if we are satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale. *See* 19 CFR 351.401(i). We have preliminarily determined that there is no reason to depart from the Department's normal practice with respect to date of sale. Consequently, for Union, Dongbu and the POSCO Group, we used the date of invoice as the date of sale: for home market sales, the reported date of the invoice from the Korean manufacturer; for U.S. sales, the reported date of invoice from the U.S. sales affiliate to the first unaffiliated U.S. customer, which is typical for CEP sales.

Constructed Export Price

We calculated the price of United States sales based on CEP, in accordance with section 772(b) of the Act. The Act defines the term "constructed export price" as "the price at which the subject merchandise is first sold (or agreed to be sold) *in the United States* before or after the date of importation *by or for the account of* the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections (c) and (d)." In contrast, "export price" is defined as "the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation *by the producer or exporter of the subject merchandise outside of the United States.*" Sections 772(a)–(b) of the Act (emphasis added). In these cases, the record establishes that the respondents' affiliates *in the United States* were in most instances the parties first contacted by unaffiliated U.S. customers desiring to purchase the subject merchandise and also that the sales affiliates in question signed the sales contracts and performed other selling functions. Respondents have submitted no new evidence warranting a change in our finding in the third reviews—based in part on exhaustive sales verifications—that the subject merchandise is first sold in the *United States* by the affiliated seller, and that the sales in question are therefore CEP transactions. *See Third Reviews*, 63 FR at 13172.

For all three respondents, we calculated CEP based on packed prices to unaffiliated customers in the United States. Where appropriate, we made deductions from the gross unit price for foreign inland freight, foreign inland insurance, foreign brokerage and handling, international freight, marine insurance, U.S. inland freight, U.S. brokerage and handling, U.S. Customs duties, commissions, discounts and rebates, pre-sale warehousing expenses, credit expenses, warranty expenses, inventory carrying costs incurred in the United States, and other direct and indirect selling expenses. Our calculation of indirect selling expenses does not include interest expenses of the U.S. sales affiliates because we have preliminarily determined that virtually all of those interest expenses relate to the financing of receivables or to borrowings involving non-subject merchandise. We adjusted the calculation of U.S. indirect selling expenses for Dongbu to exclude categories of expenses more properly categorized as other types of expenses

(e.g., movement) (see the August 31, 1998, analysis memorandum from Lisette Lach through James Doyle to the File). Pursuant to section 772(d)(3), we made an adjustment for CEP profit. For each respondent, where appropriate, we added interest revenue to the gross unit price. For each respondent, consistent with the Department's normal practice, we added duty drawback to the gross unit price. We did so in accordance with the Department's long-standing test, which requires: (1) that the import duty and rebate be directly linked to, and dependent upon, one another; and (2) that the company claiming the adjustment demonstrate that there were sufficient imports of imported raw materials to account for the duty drawback received on the exports of the manufactured product.

Normal Value

Based on a comparison of the aggregate quantity of home-market and U.S. sales, we determined that the quantity of the foreign like product sold in the exporting country was sufficient to permit a proper comparison with the sales of the subject merchandise to the United States, pursuant to section 773(a) of the Act. Therefore, in accordance with section 773(a)(1)(B)(i) of the Act, we based NV on the price at which the foreign like product was first sold for consumption in the home market, in the usual commercial quantities and in the ordinary course of trade.

Where appropriate, we deducted rebates, discounts, inland freight (offset, where applicable, by freight revenue), inland insurance, and packing. We made adjustments to NV, where appropriate, for differences in credit expenses (offset, where applicable, by interest income), warranty expenses, post-sale warehousing, and for differences in weight basis. Because the POSCO Group did not demonstrate that the rental payments made to one of its affiliated parties were at arm's length, we have revised the reported post-sale warehousing expense for the warehouse in question by the portion of the reported expense accounted for by those rental payments. We also made adjustments, where appropriate, for home-market indirect selling expenses to offset U.S. commissions in CEP comparisons. We examined the calculations of imputed credit expense for home market customers that were based on very long credit periods. Respondents indicated that they cannot systematically tie payments to actual shipments because they allow their customers to maintain open balances. To calculate credit days for their customers, respondents divided average

POR monthly receivables by average POR daily sales. This methodology used by respondents was identical to that used in prior segments. Petitioners have indicated that, as a general matter, this methodology may lead to distortions when there are not uniform volumes of sales and payments, and note that for certain customers in these reviews it results in credit days of several hundreds of days. For customers with such long calculated credit days, we requested that respondents recalculate the credit days using the most recent two completed fiscal years (1996 and 1997) rather than just the POR. In most instances, the calculated credit days using the two full years (January 1996 through December 1997) were less than one-half of the calculated credit days using only the POR (August 1996 through July 1997).

Petitioners indicated that for Dongbu and Union the Department should recalculate the credit days using this two-year information or using POR information that excludes receivables that existed at the beginning of the POR. However, the two-year methodology does not result in uniform volumes of sales and payments, and the shorter periods calculated based on such a two-year methodology could be the result of the fact that the sample we chose for analysis was composed of aberrationally high credit days. Using POR information that excludes receivables that existed at the beginning of the POR is not appropriate because it would maintain sales in the denominator that were sold in the POR but not paid for until after the POR. We have preliminarily determined that we are not adjusting credit days for sales made by Dongbu or Union. The methodology employed by Dongbu and Union was the same as in prior reviews, and the Department finds no reason to deviate from that methodology.

The POSCO Group explained its highest credit days by noting that it used 365 credit days when its credit day calculation resulted in values of either less than zero days or greater than 365 days. Petitioners state that for all POSCO Group home market sales the Department should use the reported sale-specific payment terms as the basis for home market credit days. Petitioners note that in a recent SEC filing POSCO expressed the importance of a change in the credit terms it was providing to its domestic customers in light of the recent deterioration of the Korean economy and the financial difficulties faced by POSCO customers. We have preliminarily determined to deny the imputed credit expense adjustment in instances where the POSCO Group

arbitrarily set credit days to 365 days, noting that this aspect of its methodology was not explained in its response and does not appear to be appropriate. We have not made any additional adjustments, as the methodology employed by the POSCO Group was the same as in prior reviews, and the Department finds no reason to deviate from that methodology.

In comparisons to CEP sales, we also increased NV by U.S. packing costs in accordance with section 773(a)(6)(A) of the Act. We made adjustments to NV for differences in cost attributable to differences in physical characteristics of the merchandise, pursuant to section 773(a)(6)(C)(ii) of the Act. In accordance with the Department's practice, where all contemporaneous matches to a U.S. sale observation resulted in difference-in-merchandise adjustments exceeding 20 percent, we based NV on constructed value ("CV").

Differences in Levels of Trade

In accordance with section 773(a)(1)(B)(i) of the Act and the Statement of Administrative Action ("SAA") at 829-831, to the extent practicable, the Department will calculate NV based on sales at the same level of trade as the U.S. sales (either EP or CEP). When the Department is unable to find sales in the comparison market at the same level of trade as the U.S. sale(s), the Department may compare sales in the U.S. and foreign markets at different levels of trade, and adjust NV if appropriate. The NV level of trade is that of the starting-price sales in the home market. As the Department explained in *Gray Portland Cement and Clinker From Mexico: Final Results of Antidumping Duty Administrative Review* (62 FR 17148, 17156—April 9, 1997), for both EP and CEP, the relevant transaction for the level-of-trade analysis is the sale from the exporter to the importer.

To determine whether comparison market NV sales are at a different LOT than EP or CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and unaffiliated customer. If the comparison-market sales are at a different level of trade and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the level of trade of the export transaction, we make a level-of-trade adjustment under section 773(a)(8)(A) of the Act. Finally, if the NV level is more remote from the factory than the CEP level and there is no basis for determining

whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Act (the CEP-offset provision). See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731, 61732 (November 17, 1997), and *Granular Polytetrafluoroethylene Resin From Italy: Preliminary Results of Antidumping Duty Administrative Review*, 63 FR 25826 (May 11, 1998).

A. Dongbu

Dongbu argues that with the change in classification of its U.S. sales from EP to CEP, it should now be granted a CEP offset. Dongbu has argued during this review that there are not significant differences in selling activities within or between each market, but notes that under CEP a deduction from U.S. price is made for those functions performed by the U.S. sales affiliate, Dongbu U.S.A., and that the expenses relating to such functions incurred in the home market are still reflected in home market price unless a CEP offset is granted. We disagree because, even after accounting for the functions performed by Dongbu U.S.A., there are no variations in level of trade within or between markets.

In identifying the level of trade for home market sales, we consider the selling functions reflected in the starting price of home market sales before any adjustments, pursuant to section 773(a)(1)(B)(i) of the Act. Dongbu's description of selling functions in the home market makes no distinction with regard to customer categories or channels of trade, and there is no evidence on the record indicating that such functions vary within the home market.

In identifying the level of trade for CEP sales, we considered only the selling activities reflected in the U.S. price after deduction of expenses and profit under section 772(d) of the Act. Dongbu stated that it performs the same functions for customers in both markets, such as arrangement for freight when the terms of sale include delivery. Dongbu indicated that after-sales services in both markets are limited to the processing of claims for delivery of defective merchandise. However, it notes that the expenses associated with functions performed by Dongbu U.S.A. (i.e., the contact between the U.S. affiliate and the unaffiliated U.S. customers, and other ancillary functions—in particular, the arranging of credit terms) are deducted in the calculation of CEP as indirect selling expenses, but that such expenses

incurred by Dongbu for home market sales are not deducted in the calculation of NV. Dongbu argues that the Department should grant it a CEP offset to account for this variation in selling functions between markets. We disagree. For U.S. sales, Dongbu performed essentially the same functions for its Korean and U.S. affiliates (Dongbu Corp. and Dongbu U.S.A.) as Dongbu U.S.A. performed with respect to the unaffiliated U.S. customers. Although the expenses related to Dongbu U.S.A.'s activities have been deducted from CEP, the expenses incurred by Dongbu are still reflected in CEP. Because we find there are no substantive difference in selling functions performed in the different markets, there is no difference in level of trade and, therefore, no basis for granting a CEP offset.

B. Union

Union argues that with the change in classification of its U.S. sales from EP to CEP, it should now be granted a CEP offset. Union has argued during this review that there are not significant differences in selling activities within or between each market, but notes that under CEP a deduction from U.S. price is made for those functions performed by the U.S. sales affiliate, DKA, and that the expenses relating to such functions incurred in the home market are still reflected in home market price unless a CEP offset is granted. We disagree because, even after accounting for the functions performed by DKA, there are no variations in level of trade within or between markets.

In identifying the level of trade for home market sales, we consider the selling functions reflected in the starting price of home market sales before any adjustments, pursuant to section 773(a)(1)(B)(i) of the Act. Union's description of selling functions in the home market makes no distinction with regard to customer categories or channels of trade, and there is no evidence on the record indicating that such functions vary within the home market.

In identifying the level of trade for CEP sales, we considered only the selling activities reflected in the U.S. price after deduction of expenses and profit under section 772(d) of the Act. Union stated that it performs the same functions for customers in both markets (e.g., after sales services/warranties, post-sale warehousing, technical advice, freight & delivery arrangement, and arrangement of credit terms). However, it notes that the expenses associated with functions performed by DKA (i.e., contact between the U.S. affiliate and

the unaffiliated U.S. customers, after sales services, arrangement of credit terms, and arrangement for freight and delivery under certain circumstances) are deducted in the calculation of CEP as indirect selling expenses, but that such expenses incurred by Union for home market sales are not deducted in the calculation of NV. Union argues that the Department should grant it a CEP offset to account for this variation in selling functions between markets. We disagree. For U.S. sales, Union performed essentially the same functions for DKA as DKA performed with respect to the unaffiliated U.S. customers. Although the expenses related to DKA's activities have been deducted from CEP, the expenses incurred by Union are still reflected in CEP. Because we find there are no substantive difference in selling functions performed in the different markets, there is no difference in level of trade and, therefore, no basis for granting a CEP offset.

C. The POSCO Group

The POSCO Group has argued during this review that the collapsed companies sold in the home market and to the United States at the same level of trade. Sales are made to order for both markets, and the same range of services (e.g., arrangement for movement, technical advice, and warranty services) is provided for both markets and, within the home market, to each type of customer (e.g., end-users vs. service centers). The POSCO Group has not claimed that any difference in level of trade exists between its reported sales in either market, and, based on our analysis of the selling functions reported, we determine that there is no basis to find there is any such difference. Additional functions performed by the U.S. affiliates with respect to U.S. sales (e.g., expenses associated with contacts with unaffiliated customers) were also performed by POSCO and POCOS with respect to its transactions with its U.S. sales affiliates, so even after accounting for the functions performed by the U.S. sales affiliates there is no basis for determining differences in levels of trade between markets. While the POSCO Group has argued that the home market downstream sales of its service centers in which it owns a minority stake are at a different level of trade than all of its other sales, the level of trade of those downstream sales is irrelevant because the Department determined that the POSCO Group need not report the home market resales of those affiliated service centers (as noted

above), and the POSCO Group in fact did not report those downstream sales.

Cost-of-Production/Constructed Value

At the time the questionnaires were issued in these reviews, the second annual administrative reviews were the most recently completed segments of these proceedings in which each of the three respondents had participated. In accordance with section 773(b)(2)(A)(ii) of the Act, because we disregarded certain below-cost sales by each of the three respondents in those reviews, we found reasonable grounds in these reviews to believe or suspect that those respondents made sales in the home market at prices below the cost of producing the merchandise. We therefore initiated cost investigations with regard to Dongbu, the POSCO Group, and Union in order to determine whether the respondents made home-market sales during the POR at prices below their COP within the meaning of section 773(b) of the Act.

Before making concordance matches and fair-value comparisons, we conducted the COP analysis described below.

A. Calculation of COP

We calculated the COP for Dongbu and Union based on the sum of each respondent's cost of materials and fabrication for the foreign like product, plus amounts for home-market selling expenses, general and administrative expenses ("G&A"), and packing costs in accordance with section 773(b)(3) of the Act. As discussed below, we have rejected POSCO's reported cost data and have relied on non-adverse facts available for purposes of calculating its COP.

The Department made adjustments to Dongbu's calculations of G&A and interest expenses to reflect the exclusion of certain transactions from the total cost of sales figure used in the denominator of the calculation of the G&A and interest expense factors; a corresponding adjustment to Dongbu's cost of manufacturing ("COM") was not possible, given that the information needed for such an adjustment is not available (see the August 31, 1998, analysis memorandum from Lisette Lach through James Doyle to the File).

We made adjustments to Union's fixed overhead ("FOH") due to our recalculation of depreciation to be consistent with the Department's treatment of depreciation for the previous review period. See *Third Reviews*, 63 FR at 13191. We rejected Union's reported depreciation costs which were calculated using an acceptable straight-line depreciation

methodology, but which were derived using net asset values and extended useful lives of assets. The application of this method would be inconsistent with longstanding Departmental treatment of depreciation in fixed overhead. For the preliminary margin calculations, we calculated an adjustment to Union's depreciation expense using the straight-line depreciation methodology, with the original asset values and original useful lives of the assets, as in the prior review. See the August 31, 1998, analysis memorandum from Cindy Sonmez through James Doyle to the File.

B. Facts Available

After careful consideration, we determined that we could not use POSCO's costs as reported in its Section D response. As explained below, we are using as non-adverse facts available an allocation methodology which we obtained during the cost verification. For the following reasons, we have determined that an adverse inference, pursuant to section 776(b) of the Act, is not warranted: the values weighted by POSCO to derive its CONNUM-specific costs included all costs and reconciled to its books and records; the overstatement of production quantities does not appear to contain a systematic bias in favor of POSCO; and POSCO officials prepared, at the Department's request, an extensive matrix to estimate the potential distortion in its cost submission.

POSCO grouped its products together using the physical characteristics designated by the Department and calculated weighted-average control number ("CONNUM") specific costs. These CONNUM-specific costs were combined with the costs of POSCO's affiliated producers to derive weighted-average costs for the collapsed POSCO Group. In calculating its own weighted-average CONNUM-specific costs, POSCO overstated the production quantities used in the weight-averaging. The overstatement occurred because the total production quantities of certain products were assigned to more than one CONNUM. POSCO's weighting methodology therefore used a weighting factor that was, in aggregate, several times greater than actual amounts. The problem is compounded by the fact that the product values being weight-averaged within a CONNUM can vary substantially. In addition, since the overstated production quantities were used in the weight-averaging of POSCO's costs with the production costs of POSCO's affiliated producers, POSCO's costs were overstated relative to those of the other producers. POSCO's production quantities are

weighted much more heavily than they would have been if the calculations were based on the actual production quantities of POSCO and its affiliates. The Department therefore is unable to use the per-unit costs reported by POSCO in its Section D questionnaire response as these costs were not properly weight-averaged using the actual production quantities associated with the Department's product groupings or between POSCO Group producers.

The Department requested in its September 16, 1997, Section D questionnaire that POSCO report COP and CV data, using model-specific production quantities as the weighting factor. In a supplemental questionnaire dated March 13, 1998, the Department asked POSCO to identify the level of detail at which it tracks production and the physical characteristics reflected in its production data. POSCO's supplemental response was unclear in regard to the availability of detailed production data. The Department included several verification steps in its June 8, 1998 agenda that involved identifying the level of detail at which POSCO tracks quantities throughout the production process. POSCO officials answered all questions posed by the Department's verifiers during the cost verification and, for the first time, explained that detailed production data is generated at the time of production and is retained on computer tapes in storage.

Section 776(a) of the Act directs the Department to use facts otherwise available when necessary information is not available on the record or when an interested party withholds information that has been requested, fails to provide information in a timely manner, significantly impedes a proceeding, or provides information that cannot be verified. In the instant case, detailed production data necessary for a recalculation of POSCO's costs is not on the record. The Department therefore must rely on facts available to calculate revised COP amounts for both POSCO and the POSCO Group.

At verification, we requested that POSCO officials prepare a comprehensive matrix in order to assess the magnitude of distortion inherent in POSCO's submitted costs. The requested matrix was prepared using POSCO's home market sales quantities to estimate production quantities associated with Department groupings and to calculate revised CONNUM-specific costs for both POSCO and the POSCO Group. As facts available, we have used the revised costs contained in the matrix to calculate COP and CV amounts for both

POSCO and the POSCO Group. Although the matrix calculates costs using estimated rather than actual production quantities, it more appropriately reflects the actual production quantities associated with the Department's product groupings. The matrix also alleviates the problem of POSCO's costs being unfairly weighted in relation to the costs of other POSCO Group producers. We note that this is a very complex and difficult issue. The Department invites parties to submit information and comment on this issue. Any such information or argument should be included in parties' case and rebuttal briefs. We intend to examine this issue carefully for the final results of this review. Any information or arguments parties provide will be fully analyzed in making this final decision.

Additionally, we made adjustments to the COM for certain POSCO and POCOS products. Specifically, we adjusted the per-unit costs from the matrix to reflect differences in production costs associated with quality and coating weight. See the August 31, 1998, Preliminary Results Cost Calculation Memo from William Jones through Michael Martin to Neal Halper.

Finally, we have declined to consider the appropriateness of the startup adjustment claimed by the POSCO Group, as the effect of such an adjustment, if granted, would be insignificant within the meaning of section 777A(a)(2) of the Act and 19 CFR § 351.413.

C. Test of Home-Market Prices

We used the respondents' weighted-average COP, as adjusted (see above), for the period July 1996 to June 1997. We compared the weighted-average COP figures to home-market sales of the foreign like product as required under section 773(b) of the Act. In determining whether to disregard home-market sales made at prices below the COP, we examined whether (1) within an extended period of time, such sales were made in substantial quantities, and (2) such sales were made at prices which permitted the recovery of all costs within a reasonable period of time. On a product-specific basis, we compared the COP to the home-market prices (not including VAT), less any applicable movement charges, discounts, and rebates.

D. Results of COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of

that product because we determined that the below-cost sales were not made in "substantial quantities." Where 20 percent or more of a respondent's sales of a given product during the POR were at prices less than the COP, we found that sales of that model were made in "substantial quantities" within an extended period of time, in accordance with sections 773(b)(2)(B) and (C) of the Act, and were not at prices which would permit recovery of all costs within an extended period of time, in accordance with section 773(b)(2)(D) of the Act. When we found that below-cost sales had been made in "substantial quantities" and were not at prices which would permit recovery of all costs within a reasonable period of time, we disregarded the below-cost sales in accordance with section 773(b)(1) of the Act. Where all sales of a specific product were at prices below the COP, we disregarded all sales of that product, and calculated NV based on CV.

E. Calculation of CV

In accordance with section 773(e) of the Act, we calculated CV for Dongbu and Union based on the sum of each respondent's cost of materials, fabrication, SG&A, U.S. packing costs, interest expenses, and profit. In accordance with sections 773(e)(2)(A) of the Act, we based SG&A and profit on the amounts incurred and realized by the respondent in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in the foreign country. For selling expenses, we used the weighted-average home-market selling expenses. As noted in the "Calculation of COP" section of this notice, we made adjustments to the reported COMs of Union and to the reported G&A and interest expenses of Dongbu. For the POSCO Group, we calculated CV using the non-adverse facts available approach described above, with adjustments to certain CONNUMs for differences in quality and coating weight. For all respondents, we made adjustments, where appropriate, for home-market indirect selling expenses to offset U.S. commissions in CEP comparisons.

Currency Conversion

For purposes of the preliminary results, we made currency conversions based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank of New York. Section 773A(a) directs the Department to use a daily exchange rate in order to convert foreign currencies into U.S. dollars, unless the daily rate involves a "fluctuation." In accordance with the Department's practice, we have

determined that a fluctuation exists when the daily exchange rate differs from a benchmark by 2.25 percent. See, e.g., *Certain Stainless Steel Wire Rods from France: Preliminary Results of Antidumping Duty Administrative Review* (61 FR 8915, 8918—March 6, 1996). The benchmark is defined as the rolling average of rates for the past 40 business days. When we determine a fluctuation exists, we substitute the benchmark for the daily rate. However, for the preliminary results we have not determined that a fluctuation existed during the POR, and we have not substituted the benchmark for the daily rate.

Preliminary Results of the Reviews

As a result of these reviews, we preliminarily determine that the following weighted-average dumping margins exist:

Producer/Manufacturer/Exporter	Weighted-average margin
Certain Cold-Rolled Carbon Steel Flat Products: Dongbu	No U.S. sales in POR.
The POSCO Group Union	0.00%. No U.S. sales in POR.
Certain Corrosion-Resistant Carbon Steel Flat Products: Dongbu	1.47%.
The POSCO Group Union	0.02%. 0.19%.

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within five days after the publication of this notice. Pursuant to 19 CFR 351.309, interested parties may submit written comments in response to these preliminary results. Case briefs must be submitted within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, must be submitted no later than five days after the time limit for filing case briefs. Parties who submit argument in this proceeding are requested to submit with the argument: (1) A statement of the issue, and (2) a brief summary of the argument. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f). Also, pursuant to 19 CFR 351.310, within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments to be raised in the case and rebuttal briefs. Unless the Secretary specifies otherwise, the hearing, if requested, will

be held two days after the date for submission of rebuttal briefs, that is, thirty-seven days after the date of publication of these preliminary results. The Department will publish the final results of this administrative review, including the results of its analysis of issues raised in any case or rebuttal brief or at a hearing.

The Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. Because the number of transactions involved in these reviews and other simplification methods prevent entry-by-entry assessments, we have calculated exporter/importer-specific assessment rates. We divided the total dumping margins for the reviewed sales by the total entered value of those reviewed sales for each importer. We will direct the U.S. Customs Service to assess the resulting percentage margin against the entered customs values for the subject merchandise on each of that importer's entries under the relevant order during the review period. While the Department is aware that the entered value of the reviewed sales is not necessarily equal to the entered value of entries during the POR (particularly for CEP sales), use of entered value of sales as the basis of the assessment rate permits the Department to collect a reasonable approximation of the antidumping duties which would have been determined if the Department had reviewed those sales of merchandise actually entered during the POR.

Cash Deposit

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(1) of the Act: (1) the cash deposit rate for each respondent will be the rate established in the final results of these administrative reviews (except that no deposit will be required for firms with zero or *de minimis* margins, i.e., margins lower than 0.5 percent); (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in these reviews, a prior review, or the original LTFV investigations, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) if neither the

exporter nor the manufacturer is a firm covered in these or any prior reviews, the cash deposit rate will be 14.44 percent (for certain cold-rolled carbon steel flat products) and 17.70 percent (for certain corrosion-resistant carbon steel flat products), the "all others" rate established in the LTFV investigations. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative reviews.

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) 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.

These administrative reviews and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 351.213 and 19 CFR 351.221(b)(4).

Dated: August 31, 1998.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98-24167 Filed 9-8-98; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-809]

Certain Cut-to-Length Carbon Steel Plate from Mexico: Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Preliminary Results of Antidumping Duty Administrative Review.

SUMMARY: In response to request from the respondent and petitioners in the original investigation, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain cut-to-length (CTL) carbon steel plate from Mexico. This review covers one manufacturer/exporter of the subject merchandise. The period of review (POR) is August 1, 1996, through July 31, 1997.

We preliminarily determine that sales have been made below normal value

(NV). If these preliminary results are adopted in our final results of administrative review, we will instruct U.S. Customs to assess antidumping duties based on the difference between export price (EP) and NV.

Interested parties are invited to comment on these preliminary results. Parties who submit argument in this proceeding are requested to submit with the argument: (1) a statement of the issue; and (2) a brief summary of the argument.

EFFECTIVE DATE: September 9, 1998.

FOR FURTHER INFORMATION CONTACT:

Heather Osborne or John Kugelman, Enforcement Group III, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-3019 (Osborne), 482-0649 (Kugelman).

SUPPLEMENTARY INFORMATION:

Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act) are references to the provision effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all reference to the Department's regulations are to 19 CFR 351, as published in the **Federal Register** on May 19, 1997 (62 FR 27296).

Background

The Department published an antidumping duty order on certain CTL carbon steel plate from Mexico on August 19, 1993 (58 FR 44165). The Department published a notice of opportunity to request an administrative review of the antidumping duty order for the 1996/97 review period on August 4, 1997 (62 FR 41925). On August 29, 1997, respondent Altos Hornos de México (AHMSA) requested that the Department conduct an administrative review of the antidumping duty order on certain CTL carbon steel plate from Mexico. On September 2, 1997, the petitioners in the original less-than-fair-value (LTFV) investigation (Bethlehem Steel Corporation, Geneva Steel, Gulf Lakes Steel, Inc., of Alabama, Inland Steel Industries Inc., Lukens Steel Company, Sharon Steel Corporation, and U.S. Steel Group (a unit of USX Corporation)) filed a similar request. We published a notice of initiation of the review on September 25, 1997 (62 FR 50292).

Under the Act, the Department may extend the deadline for completion of administrative reviews if it determines

that it is not practicable to complete the review within the statutory time limit of 365 days. On March 13, 1998, the Department extended the time limit for the preliminary results in this case. See *Cut-to-Length Carbon Steel Plate from Mexico; Extension of Time Limits for Antidumping Duty Administrative Review*, 63 FR 13216 (March 18, 1998).

The Department is conducting this administrative review in accordance with section 751 of the Act.

Scope of the Review

The products covered in this review include hot-rolled carbon steel universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 millimeters but not exceeding 1,250 millimeters and of a thickness of not less than 4 millimeters, not in coil and without patterns in relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain hot-rolled carbon steel flat-rolled products in straight lengths, of rectangular shape, hot rolled, neither clad, plated, nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances, 4.75 millimeters or more in thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule (HTS) under item numbers 7208.31.0000, 7208.32.0000, 7208.33.1000, 7208.33.5000, 7208.41.0000, 7208.42.0000, 7208.43.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.11.0000, 7211.12.0000, 7211.21.0000, 7211.22.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000. Included in this review are flat-rolled products of non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been "worked after rolling"); for example, products which have been beveled or rounded at the edges. Excluded from this review is grade X-70 plate.

These HTS item numbers are provided for convenience and U.S. Customs purposes. The written descriptions remain dispositive.

The POR is August 1, 1996, through July 31, 1997. This review covers entries of certain cut-to-length carbon steel plate by AHMSA.