

**DEPARTMENT OF AGRICULTURE****Grain Inspection, Packers and Stockyards Administration****Advisory Committee Meeting**

Pursuant to the provisions of section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given of the following committee meeting:

*Name:* Grain Inspection Advisory Committee.

*Date:* November 3-4, 1998.

*Place:* Hotel Washington, Pennsylvania Avenue at 15th Street, NW, Washington, DC.

*Time:* 8:00 am-5:00 pm on November 3; and 8:00 am-11:30 am on November 4, 1998.

*Purpose:* To provide advice to the Administrator of the Grain Inspection, Packers and Stockyards Administration (GIPSA) with respect to the implementation of the U.S. Grain Standards Act (7 U.S.C. 71 *et seq.*).

The agenda includes a review and discussion of the projected impact of biotechnology on grain markets, outlook for grain exports, GIPSA's financial status, reauthorization, geographic restrictions on designated agencies, and program updates.

Public participation will be limited to written statements, unless permission is received from the Committee Chairman to orally address the Committee. Persons, other than members, who wish to address the Committee or submit written statements before or after the meeting, should contact the Administrator, GIPSA, U.S. Department of Agriculture, 1400 Independence Avenue, SW, STOP 3601, Washington, DC 20250-3601, telephone (202) 720-0219 or FAX (202) 205-9237.

The meeting will be open to the public. Persons with disabilities who require alternative means of communication of program information or related accommodation should contact Marianne Plaus, telephone (202) 690-3460 or FAX (202) 205-9237.

Dated: October 6, 1998.

**James R. Baker,**

*Administrator.*

[FR Doc. 98-27467 Filed 10-13-98; 8:45 am]

BILLING CODE 3410-EN-P

**DEPARTMENT OF AGRICULTURE****Natural Resources Conservation Service****Proposed Changes to Section 4 of the Iowa State Technical Guide**

**AGENCY:** Natural Resources Conservation Service (NRCS), U.S. Department of Agriculture.

**ACTION:** Notice of availability of proposed changes in the Iowa NRCS State Technical Guide for review and comment.

**SUMMARY:** It has been determined by the NRCS State Conservationist for Iowa that changes must be made in the NRCS State Technical Guide specifically in practice standards #327, Conservation Cover; #330, Contour Farming; #332, Contour Buffer Strips; #412, Grassed Waterway; #585, Stripcropping, Contour; and #638, Water and Sediment Control Basin, to account for improved technology. This practice can be used in systems that treat highly erodible land.

**DATES:** Comments will be reviewed on or before November 13, 1998.

**FOR FURTHER INFORMATION CONTACT:** Leroy Brown, State Conservationist, Natural Resources Conservation Service, Federal Building, 210 Walnut Street, Suite 693, Des Moines, Iowa 50309; at 515/284-4260; fax 515/284-4394.

**SUPPLEMENTARY INFORMATION:** Section 343 of the Federal Agriculture Improvement and Reform Act of 1996 states that revisions made after enactment of the law to NRCS State technical guides used to carry out highly erodible land and wetland provisions of the law shall be made available for public review and comment. For the next 30 days the NRCS will receive comments relative to the proposed changes. Following that period a determination will be made by the NRCS regarding disposition of those comments and a final determination of change will be made.

**Dennis J. Pate,**

*Acting State Conservationist.*

[FR Doc. 98-27516 Filed 10-13-98; 8:45 am]

BILLING CODE 3410-16-M

**BROADCASTING BOARD OF GOVERNORS****Sunshine Act Meeting**

**DATE AND TIME:** October 20, 1997; 8:30 a.m.

**PLACE:** RFE/RL, Inc., Conference Room, Fifth floor, Vinohradska 1, Prague, Czech Republic.

**CLOSED MEETING:** The members of the Broadcasting Board of Governors (BBG) will meet in closed session to review and discuss a number of issues relating to U.S. Government-funded non-military international broadcasting. They will address internal procedural, budgetary, and personnel issues, as well as sensitive foreign policy issues relating to potential options in the U.S. international broadcasting field. This meeting is closed because if open it likely would either disclose matters that would be properly classified to be kept secret in the interest of foreign policy under the appropriate executive order (5

U.S.C. 552b.(c)(1)) or would disclose information, the premature disclosure of which would be likely to significantly frustrate implementation of a proposed agency action. (5 U.S.C. 552b.(c)(9)(B)) In addition, part of the discussion will relate solely to the internal personnel and organizational issues of the BBG or the International Broadcasting Bureau. (5 U.S.C. 552b.(c) (2) and (6)).

**CONTACT PERSON FOR MORE INFORMATION:** Persons interested in obtaining more information should contact Brenda Massey or John Lindburg at (202) 401-3736.

Dated: October 9, 1998.

**David W. Burke,**

*Chairman.*

[FR Doc. 98-27670 Filed 10-9-98; 12:55 pm]

BILLING CODE 8230-01-M

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-423-602]

**Industrial Phosphoric Acid From Belgium; 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 of industrial phosphoric acid from Belgium.

**SUMMARY:** On May 11, 1998, The Department of Commerce ("the Department") published the preliminary results of its administrative review of the antidumping order on industrial phosphoric acid from Belgium. This review covers imports of industrial phosphoric acid from one producer, Societe Chimique Prayon-Rupel S.A. ("Prayon") and the period August 1, 1996, through July 31, 1997.

We gave interested parties an opportunity to comment on our preliminary results. Based on our analysis of the comments received, we have revised the results from those presented in preliminary results of review.

**EFFECTIVE DATE:** October 14, 1998.

**FOR FURTHER INFORMATION CONTACT:** Todd Peterson or Thomas Futtner, AD/CVD Enforcement Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482-4195, and 482-3814, respectively.

## SUPPLEMENTARY INFORMATION:

**The Applicable Statute and Regulations**

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 of Commerce's ("the Department's") regulations refer to the regulations codified at 19 CFR Part 351, 62 FR 27296 (May 19, 1997).

**Background**

On August 20, 1987, the Department published in the **Federal Register** (52 FR 31439) the antidumping duty order on industrial phosphoric acid ("IPA") from Belgium. On August 4, 1997, the Department published in the **Federal Register** (62 FR 41925) a notice of opportunity to request an administrative review of this antidumping duty order. On August 29, 1997, in accordance with 19 CFR 351.213(b), Prayon, the petitioner FMC Corporation ("FMC"), and Albright & Wilson Americas Inc. ("Wilson"), a domestic producer of the subject merchandise, requested that the Department conduct an administrative review of Prayon's exports of subject merchandise to the United States. We published the notice of initiation of this review on September 25, 1997 (62 FR 50292). On May 11, 1998, the Department published the preliminary results of review (63 FR 25830). The Department has now completed this review in accordance with section 751 of the Act.

**Scope of the Review**

The products covered by this review include shipments of IPA from Belgium. This merchandise is currently classifiable under the Harmonized Tariff Schedule ("HTS") item numbers 2809.2000 and 4163.0000. The HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

**Analysis of the Comment Received**

We gave interested parties an opportunity to comment on the preliminary results of review. We received comments from respondent and petitioner.

*Comment 1: Sale comparisons.* According to petitioner, the Department erroneously compared Prayon's U.S. sales made in one channel of distribution with the home market sales made in three channels of distribution. For the U.S. channel, Prayon sold only

through its related sales agent to end-users. In Belgium, Prayon made sales through three channels: (1) Direct to end-users; (2) through its related sales agent to end-users; and (3) through its related sales agent to distributors. Petitioner maintains there are selling, quantity and price differences between sales made in the second channel and sales made in the first and third channels. As a result of these differences, petitioner requests that the Department exclude from its antidumping calculation sales made through the first and third channels in the home market. Petitioner argues that the level of trade ("LOT") provision of the regulations requires comparing sales transactions which are as nearly identical as possible, such that the Department must match only sales made to end-users through its related sales agent in Belgium with sales made to end-users through its related sales agent in the United States.

Prayon argues there is only one channel of distribution in the home market. Prayon maintains that the selling functions performed for all of its home market sales are the same, whether or not its related sales agent is involved, and whether or not the purchaser is an end-user or a distributor. Moreover, since the commission paid to the related sales agents was disregarded in the dumping calculation, there are no significant differences between sales to end-users made by Prayon and sales made by Prayon through its related sales agents. For these sales to end-users in the home market, there are not two different distribution channels but only identical selling functions performed by two different offices in the home market. Moreover, these home market end-user sales are identical in all respects to the sales to end-users in the United States. These functions include communications with customers, taking orders, directing shipments and receiving payment. Finally, Prayon asserts that the Department in previous cases has not used channels of distribution as an appropriate basis for grouping sales for comparison purposes.

*DOC position:* We disagree with petitioner. Before evaluating and excluding any sales transactions to alleged home market customer groups, the Department first matches Prayon's U.S. sales to Prayon's home market sales. Only after Commerce has determined the most physically similar model match for a U.S. sale does the Department determine whether or not that sale has been matched to a home market sale at the same LOT. See Import Administration Policy Bulletin Number

92/1 July 29, 1992) ("Matching at Levels of Trade"). If not, the U.S. sale may be matched to a home market sale of that most similar model at a different LOT. In this case, however, all home market sales are at the same LOT.

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine normal value ("NV") based on sales in the comparison market at the same LOT as the export price ("EP") or constructed export price ("CEP") transaction. The NV LOT is that of the starting price of the comparison sale in the foreign market or, when NV is based on constructed value ("CV"), that of the sales from which we derive selling, general and administrative ("SG&A") expenses and profit. For EP, the U.S. LOT is also the level of the starting-price sale, which is usually from exporter to importer. 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 (November 19, 1997). All of the U.S. sales in this review are EP sales. See Industrial Phosphoric Acid From Belgium; Preliminary Results of Antidumping Duty Administrative Review, 63 FR 25830 (May 11, 1998). To determine whether NV sale are at a different LOT than U.S. sales, we examine stages in the marketing process and selling functions along the chain of distribution between producer and the unaffiliated customer.

Customers categories such as distributors, retailers, or end-users are commonly used by petitioners respondents to describe different LOTs, but without substantiation, they are insufficient to establish that a claimed LOT is valid. An analysis of the chain of distribution and of the selling functions substantiates or invalidates the claimed LOTs.

The marketing process in both markets begins with goods being sold by the producer and extends to the sale to the final user. The chain of distribution between the producer and the final user may have many or few links, and each respondent's sales occur somewhere along this chain. In the United States, the respondent's sales are generally to an importer, whether independent or affiliated. We review and compare the distribution systems in the home market and the United States, including selling functions, class of customer, and the extent and level of selling expenses for each claimed LOT. Unless the sales being compared are at different stages in the marketing process, the Department will not find that a difference in LOT exists, even if selling functions are different.

If the claimed LOTs are different, the selling functions performed in selling to each level should also be different. Therefore, unless we find that there are different selling functions for sales to the U.S. and HM sales, we will not determine that there are separate LOTs. Different LOTs necessarily involve differences in selling functions, but differences in selling functions, even substantial ones, are not alone sufficient to establish a difference in the LOTs. Differences in LOTs are characterized by purchasers at different stages of marketing or their equivalent.

Because the existence of different channels of distribution suggested that differences in LOT might possibly be present in this case, the Department analyzed the selling functions associated with Prayon's U.S. sales with Prayon's home market sales through the three channels of distribution described above. As Prayon has noted, all four of these groups of sales involve substantially the same selling functions. Specifically, for all of these sales Prayon communicates with customers, takes orders, directs shipments and receives payment and we found no differences in selling functions. The Department has stated in the preamble to its LOT regulation that, in order to find a level of trade difference "each more remote level must be characterized by an additional layer of selling activities, amounting in the aggregate to a *substantially different selling function*." 62 FR 27296, 27371 (May 19, 1997) (emphasis added).

Because there are no substantially different selling functions associated with the home market sales through any of the home market channels of distribution, we determined that there are no LOT differences between Prayon's U.S. sales and any of its home market sales, regardless of the differences in channel of distribution. Because none of Prayon's home market sales are at an LOT that is different from that of the U.S. states, there is no reason to eliminate any of Prayon's home market sales from the matching pool or from the model-specific price averaging groups based on an LOT rationale. Further, it is not our practice to limit price-averaging groups based solely on channels of distribution. See Final Determination of Sales at Less Than Fair Value: Certain Pasta From Turkey, 61 FR 30309 (June 14, 1996) ("channels are not an appropriate basis for creating product average groups \* \* \*. The SAA does not contemplate the use of channels of distribution as a basis for creating an averaging group"). Therefore, we have compared U.S. sale prices, properly adjusted, to a model-

specific average of all of Prayon's home market sales.

*Comment 2: Credit expenses.* Petitioner claims that the Department should have used the same methodology it used for home market credit expense to calculate U.S. credit expenses. In the preliminary results, the Department determined that the discount transactions for home market credit expenses between Prayon and its affiliated coordination center were not made at arm's length. As a result, the Department deducted from the price to the first unaffiliated customer in the home market an imputed credit expense, rather than using the home market credit expense reported by Prayon. According to petitioner, the discount transactions for the U.S. credit expense between Prayon and its affiliates, Quadra and Prayon Services and Finance, also were not made at arm's length. Therefore, the Department should reject these reported credit expense values and calculate an imputed U.S. credit expense. For the purposes of the final results, the imputed credit expense must be incorporated in the antidumping margin calculation. Petitioner also argues that Prayon erroneously reported its credit expense on these U.S. transactions in Belgian francs, and that the Department must calculate the imputed credit expense using the interest rate of the currency in which Prayon incurred credit expense on U.S. sales, *i.e.*, U.S. dollars.

Prayon argues that the Department should use the actual credit cost incurred by Prayon and reported in Prayon's questionnaire response. Although Prayon's actual cost is the cost incurred in factoring invoices for U.S. sales with a related company, the related company operates as a "coordination center" under Belgian law and is legally required to charge an arm's length interest rate. This rate is based on the prevailing Belgian interbank rate plus a premium to reflect a commercial loan. If, however, the Department disregards Prayon's actual credit expense and uses an imputed expense, then a Belgian franc-denominated rate should be used in the calculation.

*DOC position:* We agree with petitioner. In the preliminary results, we determined that Prayon's home market credit expense paid to its affiliates was not incurred on an arm's length basis. Therefore, we calculated an imputed home market credit value using our standard credit calculation, *i.e.*, (date of payment less date of shipment/365)\* monthly home market short term rate interest rate\* gross price. We also

determined that Prayon's U.S. credit expense paid to its affiliates was not incurred at arm's length and intended to calculate an imputed U.S. credit value using the standard credit calculation. For these Final Results, we have made this change.

In our calculation, we have used the prevailing U.S. dollar prime rate in effect during the period of review. See Federal Reserve Bulletin "Prime Rate Charged By Banks," June 28, 1998, p.A 22, Number 1.33. For this instant review, the application of the prime rate is consistent with the Department's policy of calculating an imputed credit expense using the interest rate of the currency of sale. As we stated in a recent Import Administration Policy Bulletin, "for the purposes of calculating imputed credit expenses, we will use a short-term interest rate tied to the currency in which the sales are denominated. We will base this interest rate on the respondent's weighted-average short-term borrowing experience in the currency of the transaction." See Import Administration Policy Bulletin Number 98.2 at 3 (February 23, 1998). Further, our use of the prime rate in the calculation of an imputed credit expense for this review adheres to the Department's standard policy as outlined in the Bulletin cited above: "(1) The surrogate rate should be reasonable; (2) it should be readily obtainable and predictable; and (3) it should be a short-term interest rate actually realized by borrowers in the course of the usual commercial behavior in the United States." The U.S. dollar prime rate meets this standard.

We disagree that any imputed credit expense should be calculated using Belgian francs. In our Section C questionnaire, we explicitly stated that it is our practice to calculate imputed credit expense in U.S. dollars when the U.S. sales are denominated in dollars. We stated that, if Prayon did not borrow in U.S. dollars, then it should use a U.S. published commercial bank prime rate short-term lending rate in reporting credit expense. Therefore, we have calculated the imputed U.S. credit expense in U.S. dollars.

Finally, we find that Prayon's assertion that its affiliate, Prayon Services, is required, under Belgian law, to charge an arm's length interest rate to an affiliated company provides insufficient indication that these credit transactions are in fact made at arm's length. Since the arm's length standard established by Belgian law is not sufficiently similar to the practice established by the Department, we cannot rely on Prayon's compliance with the law as evidence that the rate

charged by Prayon Services to Prayon is at arm's length. See *Industrial Phosphoric Acid from Belgium*; Final Results of Antidumping Administrative Review, 61 FR 20227 (May 6, 1996).

#### Currency Conversion

We made currency conversions in accordance with section 773A of the Act based on rates certified by the Federal Reserve Bank in effect on the dates of the U.S. sales. See *Change in Policy Regarding Currency Conversions*, 61 FR 9434 (March 8, 1996).

#### Final Results of the Review

As a result of our review, we determine that the following margin exists for the period August 1, 1996 through July 31, 1997:

Manufacturer/exporter	Margin (percent)
Prayon .....	4.35

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between normal value and export price may vary from the percentage stated above. We have calculated an importer-specific duty assessment rate based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of the same sales. The rate will be assessed uniformly on all entries of that particular company made during the POR. The Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit requirements will be effective upon publication of this notice of amended final results of review for all shipments of IPA from Belgium entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a) of the Act: (1) For the companies named above, the cash deposit rate will be the rate listed above (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a previous segment of this proceeding, the cash deposit rate will continue to be the company-specific rate published in the most recent final results which covered that manufacturer or exporter; (3) if the exporter is not a firm covered in this review or in any previous segment of this proceeding, but the manufacturer is, the cash deposit rate will be that established for the manufacturer of the merchandise in these final results of review or in the most recent final results which covered

that manufacturer; and (4) if neither the exporter nor the manufacturer is a firm covered in this review or in any previous segment of this proceeding, the cash deposit rate will be 14.67 percent, the "all others" rate established in the LFTV investigation. These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a final 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 doubled antidumping duties.

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with section 351.306 of the Department's regulations. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: October 7, 1998.

**Robert S. LaRussa,**

*Assistant Secretary, Import Administration.*

[FR Doc. 98-27568 Filed 10-13-98; 8:45 am]

BILLING CODE 3510-DS-M

#### DEPARTMENT OF COMMERCE

##### International Trade Administration

##### **Roller Chain, Other Than Bicycle, From Japan: Postponement of Preliminary Results of Antidumping Duty Administrative Review (A-588-028)**

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

**ACTION:** Extension of time limits for preliminary results of antidumping duty administrative review.

**SUMMARY:** The Department of Commerce is extending the time limits of the preliminary results of the antidumping duty administrative review of the antidumping finding on roller chain, other than bicycle, from Japan, covering

the period April 1, 1997, through March 31, 1998, since it is not practicable to complete the review within the time limits mandated by Section 751(a)(3)(A) of the Tariff Act of 1930 (the Act), as amended.

**EFFECTIVE DATE:** October 14, 1998.

**FOR FURTHER INFORMATION CONTACT:** Ron Trentham or Cameron Werker, Antidumping Duty and Countervailing Duty Enforcement, Office Four, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482-6320 and 482-3874, respectively.

#### 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 Act by the Uruguay Rounds Agreements Act.

##### Background

On May 22, 1998 (63 FR 29370, May 29, 1998) the Department of Commerce (the Department) initiated an administrative review of the antidumping duty order on roller chain, other than bicycle, from Japan, covering the period April 1, 1997, through March 31, 1998. In our notice of initiation, we stated that we intended to issue the final results of this review no later than April 30, 1999. On August 6, 1998, Kaga Industries Co. Ltd., Sugiyama Chain, and Izumi Chain Manufacturing Co. Ltd., respectively, submitted requests for postponement of the preliminary results on roller chain, other than bicycle from Japan, due to the complexity of issues presented by the review, including model match issues stemming from the 1996-1997 administrative review and the limited resources of both respondents and the Department.

##### **Postponement of Preliminary Results of Review**

Section 751(a)(3)(A) of the Act requires the Department to make a preliminary determination within 245 days after the last day of the anniversary month of an order for which a review is requested and a final determination within 120 days after the date on which the preliminary determination is published. However, if it is not practicable to complete the review within the time period, section 751(a)(3)(A) allows the Department to extend this time period to 365 days and 180 days, respectively.