

administrative review initiated in 1998 (19 CFR 351.213(j)(1-2)).

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305.

These initiations and this notice are in accordance with section 751(a) of the Tariff Act of 1930, as amended (19 U.S.C. 1675(a)), and 19 CFR 351.221(c)(1)(i).

Dated: November 23, 1998.

Holly A. Kuga,

Acting Deputy Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-846 and A-821-809]

Preliminary Determinations of Critical Circumstances: Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products From Japan and the Russian Federation

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

EFFECTIVE DATE: November 30, 1998.

FOR FURTHER INFORMATION CONTACT: Lyn Baranowski (Russian Federation) at (202) 482-3208; and Nithya Nagarajan (Japan) at (202) 482-4243, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Preliminary Determination of Critical Circumstances

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's regulations are references to the provisions codified at 19 CFR Part 351 (1998).

Critical Circumstances

On October 15, 1998, the Department of Commerce ("the Department") initiated investigations to determine whether imports of certain hot-rolled flat-rolled carbon-quality steel products ("hot-rolled steel") from Brazil, Japan, and the Russian Federation ("Russia") are being, or are likely to be, sold in the United States at less than fair value (63

FR 56607, October 22, 1998). In the petition filed on September 30, 1998, petitioners alleged that there is a reasonable basis to believe or suspect that critical circumstances exist with respect to imports of hot-rolled steel from Brazil, Japan, and Russia. On November 13, 1998, the International Trade Commission ("ITC") preliminarily determined that there was threat of material injury to the domestic industry from imports of hot-rolled steel from Brazil, Japan, and Russia.

In accordance with 19 CFR 351.206(c)(2)(i), because petitioners submitted a critical circumstances allegation more than 20 days before the scheduled date of the preliminary determination, the Department must issue a preliminary critical circumstances determination not later than the date of the preliminary determination. In a policy bulletin issued on October 8, 1998, the Department stated that it has determined that it may issue a preliminary critical circumstances determination prior to the date of the preliminary determination of dumping, assuming adequate evidence of critical circumstances is available (*see Change in Policy Regarding Timing of Issuance of Critical Circumstances Determinations*, 63 FR 55364). In accordance with this policy, we are issuing preliminary critical circumstances decisions in the investigations of imports of hot-rolled steel from Japan and Russia.

Section 733(e)(1) of the Act provides that the Department will determine that critical circumstances exist if there is a reasonable basis to believe or suspect that: (A)(i) there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or (ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and that there was likely to be material injury by reason of such sales, and (B) there have been massive imports of the subject merchandise over a relatively short period.

Japan

History of Dumping and Importer Knowledge

We are not aware of any antidumping order in any country on hot-rolled steel from Japan. Therefore, we examined whether there was importer knowledge. In determining whether there is a reasonable basis to believe or suspect that an importer knew or should have

known that the exporter was selling hot-rolled steel at less than fair value and thereby causing material injury, the Department must rely on the facts before it at the time the determination is made. The Department normally considers margins of 25 percent or more and a preliminary ITC determination of material injury sufficient to impute knowledge of dumping and the likelihood of resultant material injury.

In the present case, since we have not yet made a preliminary finding of dumping, the most reasonable source of information concerning knowledge of dumping is the petition itself. In the petition, petitioners calculated estimated dumping margins of 27.20 and 28.25 percent, which both exceed the 25 percent threshold. Therefore, we preliminarily determine importers knew or should have known that the exporters were dumping the subject merchandise.

As to the knowledge of likely injury from such dumped imports, we considered the information regarding injury to the domestic industry in the petition. We also considered other sources of information, including numerous press reports from early to mid-1998 regarding rising imports, falling domestic prices resulting from rising imports, and domestic buyers shifting to foreign suppliers. In addition to this information, the ITC preliminarily found threat of material injury to the domestic industry due to imports of hot-rolled steel from Japan. Therefore, with respect to Japan, we preliminarily find that there is a reasonable basis to believe or suspect that importers knew or should have known that material injury from the dumped merchandise was likely.

Massive Imports

In determining whether there are "massive imports" over a "relatively short time period," the Department ordinarily bases its analysis on import data for at least the three months preceding (the "base period") and following (the "comparison period") the filing of the petition. Imports normally will be considered massive when imports during the comparison period have increased by 15 percent or more compared to imports during the base period. However, as stated in the Department's regulations, at section 351.206(i), if the Secretary finds that importers, exporters, or producers had reason to believe, at some time prior to the beginning of the proceeding, that a proceeding was likely, then the Secretary may consider a time period of not less than three months from that earlier time.

In this case, petitioners argue that importers, exporters, or producers of Japanese hot-rolled steel had reason to believe that an antidumping proceeding was likely before the filing of the petition. The Department examined whether conditions in the industry and published reports and statements provide a basis for inferring knowledge that a proceeding was likely. For Japan, we find that such press reports, particularly in March and April 1998, are sufficient to establish that by the end of April 1998, importers, exporters, or producers knew or should have known that a proceeding was likely concerning hot-rolled products from Japan. (See discussion in the Determination of Critical Circumstances Memo). Accordingly, we examined the increase in import volumes from May–September 1998 as compared to December 1997–April 1998 and found that imports of hot-rolled steel from Japan increased by more than 100 percent (see the Attachment to the Critical Circumstances Memo). Therefore, pursuant to section 733(e) of the Act and section 351.206(h) of the Department's regulations, we preliminarily determine that there have been massive imports of hot-rolled steel from Japan over a relatively short time.

Russia

History of Dumping and Importer Knowledge

To determine whether there is a history of injurious dumping of the merchandise under investigation, in accordance with section 733(e)(1)(A)(i), the Department considers evidence of an existing antidumping order on hot-rolled steel from Russia in the United States or elsewhere to be sufficient. In this case, petitioners alleged that Chile, Indonesia, and Mexico all have antidumping orders in place covering subject merchandise. Because the antidumping order in Chile has been revoked, we are not considering it for purposes of this determination. Nevertheless, we find the antidumping orders in place against Russian hot-rolled steel in Indonesia and Mexico to be sufficient to indicate a history of injurious dumping. Therefore, with respect to Russia, we find that a history of dumping causing material injury exists. Since we have found a history of dumping causing material injury with respect to Russia, there is no need to examine importer knowledge.

Massive Imports

In this case, petitioners argue that importers, exporters, or producers of Russian hot-rolled steel had reason to

believe that an antidumping proceeding was likely before the filing of the petition. The Department examined whether conditions in the industry and published reports and statements provide a basis for inferring knowledge that a proceeding is likely. As discussed in the Determination of Critical Circumstances Memo, we find that for Russia such press reports are sufficient to establish that by the end of April 1998, importers, exporters, or producers knew or should have known that a proceeding was likely. Accordingly, we examined the increase in import volumes from May–September 1998, as compared to December 1997–April 1998, and found that imports of hot-rolled steel from Russia increased by 98 percent (see the Attachment to the Critical Circumstances Memo). Therefore, pursuant to section 733(e) of the Act and section 351.206(h) of the Department's regulations, we preliminarily determine that there have been massive imports of hot-rolled steel from Russia over a relatively short time.

Brazil

Because there is insufficient evidence on the record at this time that importers, exporters, or producers knew or should have known, at some time prior to the filing of the petition, that a proceeding concerning Brazil was likely, the appropriate comparison period for determining whether imports have been massive would begin at the time of filing of the petition. Because data for this period are not yet available, the Department will make its preliminary critical circumstances finding by the date of its preliminary determination regarding dumping.

Conclusion

We preliminarily determine that there is a reasonable basis to believe or suspect that critical circumstances exist for imports of hot-rolled steel from Japan and Russia.

Suspension of Liquidation

In accordance with section 733(e)(2) of the Act, upon issuance of an affirmative preliminary determination of sales at less than fair value in the Japan or Russia investigation, the Department will direct the U.S. Customs Service to suspend liquidation of all entries of hot-rolled steel from Japan or Russia, as appropriate, that are entered, or withdrawn from warehouse, for consumption on or after 90 days prior to the date of publication in the **Federal Register** of our preliminary determination of sales at less than fair value. The Customs Service shall require a cash deposit or posting of a

bond equal to the estimated preliminary dumping margins reflected in the preliminary determinations of sales at less than fair value published in the **Federal Register**. This suspension of liquidation will remain in effect until further notice.

Final Critical Circumstances Determinations

We will make final determinations concerning critical circumstances for Japan and Russia when we make our final determinations regarding sales at less than fair value in these investigations, which will be 75 days after the preliminary determinations regarding sales at less than fair value.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determinations.

This notice is published pursuant to section 777(i) of the Act.

Dated: November 23, 1998.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

Application for Duty-Free Entry of Scientific Instrument

Pursuant to Section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Pub. L. 89–651; 80 Stat. 897; 15 CFR part 301), we invite comments on the question of whether an instrument of equivalent scientific value, for the purposes for which the instrument shown below is intended to be used, is being manufactured in the United States.

Comments must comply with 15 CFR 301.5(a)(3) and (4) of the regulations and be filed within 20 days with the Statutory Import Programs Staff, U.S. Department of Commerce, Washington, DC 20230. Application may be examined between 8:30 A.M. and 5:00 P.M. in Room 4211, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC.

Docket Number: 98–057. Applicant: Ames Laboratory, U.S. Department of Energy, 211 TASF, Iowa State University, Ames, IA 50011–3020. Instrument: Auger Microprobe, Model JAMP–7800F. Manufacturer: JEOL Ltd., Japan. Intended Use: The instrument will be used for the following to help