

Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION: Because it is not practicable to complete these reviews within the normal statutory time limit, the Department is extending the time limits for completion of the preliminary results until September 20, 1999 in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended. See Memorandum from Joseph A. Spetrini to Robert S. LaRussa, on file in Room B-099 of the main Commerce building. The deadline for the final results of this review will continue to be 120 days after publication of the preliminary results.

These extensions are in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (19 U.S.C. 1675(a)(3)(A)).

Dated: May 3, 1999.

Joseph A. Spetrini,

Deputy Assistant Secretary, AD/CVD Enforcement Group III.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-489-807]

Certain Steel Concrete Reinforcing Bars From Turkey: Preliminary Results of Antidumping Duty Administrative Review and New Shipper Review

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

SUMMARY: In response to a request by Ekinciler Holding A.S., Ekinciler Demir Celik A.S., and Ferromin International Trade Corp. (collectively "Ekinciler"), the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain steel concrete reinforcing bars (rebar) from Turkey. In addition, in response to a request by ICDAS Celik Enerji Tersane ve Ulasim Sanayi A.S. (ICDAS), the Department is also conducting a new shipper review of the antidumping duty order on rebar from Turkey. The period of review is October 10, 1996, through March 31, 1998, for Ekinciler and October 10, 1996, through July 31, 1998, for ICDAS.

We have preliminarily determined that sales have been made below the normal value by the companies subject to these reviews. If these preliminary results are adopted in the final results of these reviews, we will instruct the

Customs Service to assess antidumping duties on all appropriate entries.

EFFECTIVE DATE: May 7, 1999.

FOR FURTHER INFORMATION CONTACT:

Shawn Thompson or Irina Itkin, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1776 or (202) 482-0656, respectively.

SUPPLEMENTARY INFORMATION:

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act), are references to the provisions 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 citations to the Department of Commerce regulations are to 19 CFR Part 351 (1998).

Background

On April 30, 1998, the Department received a request from Ekinciler to conduct an administrative review of the antidumping duty order on rebar from Turkey. On May 29, 1998, the Department published in the **Federal Register** a notice of initiation of an administrative review of Ekinciler covering the period October 10, 1996, through March 31, 1998 (63 FR 29370).

Also on April 30, 1998, ICDAS requested that we conduct a new shipper review pursuant to section 751(a)(2)(B) of the Act and 19 CFR 351.214(b). In this request, ICDAS certified that it did not export the subject merchandise to the United States during the period covered by the original less-than-fair-value (LTFV) investigation (the "POI"), and that it is not affiliated with any company which exported subject merchandise to the United States during the POI. Pursuant to 19 CFR 351.214(b)(2)(iv), ICDAS submitted documentation establishing the date on which it intended to first ship and enter rebar for consumption in the United States, the volume of that shipment, and the date of the first sale to an unaffiliated customer in the United States. Based on the above information, the Department initiated a new shipper review covering ICDAS (*Certain Steel Concrete Reinforcing Bars from Turkey: Initiation of New Shipper Antidumping Duty Administrative Review* (63 FR 29372, May 29, 1998)). The Department is now conducting this review in accordance with section 751 of the Act and 19 CFR 351.214.

On May 18, 1998, ICDAS agreed to waive time limits applicable to the new shipper review and conduct the new

shipper review concurrently with the administrative review.

On May 29, 1998, we issued our questionnaire to Ekinciler and ICDAS. On June 9, 1998, ICDAS requested that the Department expand the period of review (POR) in the new shipper review to include June 1998, in order to allow the Department to capture the company's first sale to an unaffiliated party in the United States, as well as the corresponding entry. On June 11, 1998, we expanded the POR in this review to include June 1998.

We received a response to Sections A through C of the questionnaire (*i.e.*, the sections regarding sales to the home market and the United States) from Ekinciler in July 1998 and a response to Section D (*i.e.*, the section regarding cost of production (COP) and constructed value (CV)) in August 1998. We received a response to Sections A through C of this questionnaire from ICDAS in August 1998. ICDAS was not required to respond to Section D.

In its August 1998 questionnaire response, ICDAS informed the Department that it did not ship subject merchandise to the United States until the end of June 1998. Accordingly, we expanded the POR through July 1998 in order to capture the company's first entry. We determined that expansion of the POR would not cause undue delay in the completion of the review. For further discussion, see the memorandum on this topic from Irina Itkin to Louis Apple, dated April 12, 1999.

In August and September 1998, we issued supplemental questionnaires to Ekinciler and ICDAS, respectively. We received responses to these questionnaires in September and October 1998.

On October 23, 1998, the Department published in the **Federal Register** notices of postponement of the final results until no later than April 30, 1999 (63 FR 56909 and 63 FR 56910).

In January and February 1999, we issued additional supplemental questionnaires to ICDAS and Ekinciler, respectively. We received responses to these questionnaires in January, February, and March 1999.

In February and March 1999, the Department conducted verification of the sales data submitted by ICDAS, in accordance with section 782(i) of the Act and 19 CFR 351.307(b)(1)(iv).

Scope of Reviews

The product covered by these reviews is all stock deformed steel concrete reinforcing bars sold in straight lengths and coils. This includes all hot-rolled deformed rebar rolled from billet steel,

rail steel, axle steel, or low-alloy steel. It excludes (i) plain round rebar, (ii) rebar that a processor has further worked or fabricated, and (iii) all coated rebar. Deformed rebar is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 7213.10.000 and 7214.20.000. The HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of these reviews is dispositive.

Periods of Review

The POR is October 10, 1996, through March 31, 1998, for Ekinciler and October 10, 1996, through July 31, 1998, for ICDAS.

Level of Trade and Constructed Export Price (CEP) Offset

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade as export price (EP) or CEP. The NV level of trade is that of the starting-price sales in the comparison market or, when NV is based on CV, that of the sales from which we derive selling, general and administrative expenses (SG&A) and profit. For EP, the U.S. level of trade is also the level of the starting-price sale, which is usually from the exporter to the unaffiliated U.S. customer. For CEP, it is the level of the constructed sale from the exporter to the importer.

To determine whether NV sales are at a different level of trade than EP or CEP sales, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the 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)(7)(A) of the Act. Finally, for CEP sales, 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 (Nov. 19, 1997).

Neither Ekinciler nor ICDAS claimed that it made home market sales at more

than one level of trade. Based on the information on the record, no level of trade adjustment was warranted for either company. For a detailed explanation of this analysis, see the memorandum entitled "Preliminary Results of Antidumping Duty Administrative Review and New Shipper Review on Certain Steel Concrete Reinforcing Bars from Turkey," dated April 30, 1999 (the "concurrence memorandum").

Regarding Ekinciler, in order to determine whether NV was established at a level of trade which constituted a more advanced stage of distribution than the level of trade of the CEP, we compared the selling functions performed for home market sales with those performed with respect to the CEP transaction, which excludes economic activities occurring in the United States, pursuant to section 772(d) of the Act. We found that Ekinciler performed essentially the same selling functions in its sales offices in Turkey for both home market and U.S. sales. Therefore, Ekinciler's sales in Turkey were not at a more advanced stage of marketing and distribution than the constructed U.S. level of trade, which represents an F.O.B. foreign port price after the deduction of expenses associated with U.S. selling activities. Because we find that no difference in level of trade exists between markets, we have not granted a CEP offset to Ekinciler. For further discussion, see the concurrence memorandum noted above.

Comparisons to Normal Value

To determine whether sales of rebar from Turkey were made in the United States at less than normal value, we compared the CEP or EP, as appropriate, to the NV. Because Turkey's economy experienced high inflation during the POR (over 70 percent), as is Department practice, we limited our comparisons to home market sales made during the same month in which the U.S. sale occurred and did not apply our "90/60" contemporaneity rule (see, e.g., *Certain Welded Carbon Steel Pipe and Tube from Turkey: Final Results and Partial Rescission of Antidumping Administrative Review*, 63 FR 35191 (June 29, 1998); and *Certain Porcelain on Steel Cookware from Mexico: Final Results of Antidumping Duty Administrative Review*, 62 FR 42496, 42503 (August 7, 1997)). This methodology minimizes the extent to which calculated dumping margins are overstated or understated due solely to price inflation that occurred in the intervening time period between the U.S. and home market sales.

We first attempted to compare products sold in the U.S. and home markets that were identical with respect to the following characteristics: grade, size, ASTM specification, and form. Where there were no home market sales of merchandise that were identical in these respects to the merchandise sold in the United States, we compared U.S. products with the most similar merchandise sold in the home market based on the characteristics listed above, in that order of priority.

Export Price/Constructed Export Price

For all U.S. sales by Ekinciler, we used CEP, in accordance with section 772(b) of the Act. For all U.S. sales by ICDAS, we used EP, in accordance with section 772(a) of the Act, because the subject merchandise was sold directly to the first unaffiliated purchaser in the United States prior to importation and CEP methodology was not otherwise warranted based on the facts of record.

A. Ekinciler

We based CEP on packed prices to the first unaffiliated purchaser in the United States. We made deductions from CEP for discounts, as appropriate. We also made deductions for foreign brokerage and handling expenses, inspection fees, ocean freight, marine insurance, U.S. customs duties, discharge expenses (offset by despatch revenue), wharfage expenses, sorting expenses, truck loading expenses, U.S. warehousing expenses and insurance, U.S. inland freight, and U.S. inland insurance, where appropriate, in accordance with section 772(c)(2)(A) of the Act. We based the amount of foreign brokerage and handling expenses on the amount that Ekinciler paid to an affiliated party, because we determined that these expenses were at arm's length. For further discussion, see the concurrence memorandum.

We made additional deductions from CEP, where appropriate, for Exporters' Association fees, bank charges, credit expenses, U.S. indirect selling expenses, and U.S. inventory carrying costs, in accordance with section 772(d)(1) of the Act. We recalculated U.S. credit expenses using the weighted-average of the U.S. interest rates reported in Ekinciler's response. This interest rate was based on the actual borrowing experience of Ekinciler's affiliated parties for their U.S.-dollar-denominated loans.

Pursuant to section 772(d)(3) of the Act, we further reduced the starting price by an amount for profit, to arrive at CEP. In accordance with section 772(f) of the Act, we calculated the CEP profit rate using the expenses incurred

by Ekinciler and its affiliate on their sales of the subject merchandise in the United States and the foreign like product in the home market and the profit associated with those sales.

B. ICDAS

We based EP on packed prices to the first unaffiliated purchaser in the United States. We made deductions for foreign inland freight expenses, ocean freight expenses, inspection fees, and loading charges, where appropriate, in accordance with section 772(c)(2)(A) of the Act.

Normal Value

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product is five percent or more of the aggregate volume of U.S. sales), we compared the volume of each respondent's home market sales of the foreign like product to the volume of U.S. sales of subject merchandise, in accordance with section 773(a)(1)(C) of the Act. Based on this comparison, we determined that each respondent had a viable home market during the POR. Consequently, we based NV on home market sales.

Both respondents made sales of rebar to affiliated parties in the home market during the POR. Consequently, we tested these sales to ensure that, on average, they were made at "arm's-length" prices, in accordance with 19 CFR 351.403(c). To conduct this test, we compared the unit prices of sales to affiliated and unaffiliated customers net of all movement charges, direct selling expenses, and packing. Where prices to the affiliated party were on average 99.5 percent or more of the price to the unaffiliated parties, we determined that sales made at arm's length (see 19 CFR 351.403(c) and 62 FR 27355).

Accordingly, for Ekinciler, we only included in our margin analysis those sales to the sales to the affiliated party that were made at arm's length. Regarding ICDAS, we did not include in our analysis any sales made to affiliated parties because they failed the "arm's length" test. Because the volume of sales by ICDAS to its affiliated parties was greater than five percent of the company's total home market sales, pursuant to 19 CFR 351.403(d), we based our analysis on the downstream sales of the affiliates to their unaffiliated customers.

A. Ekinciler

Pursuant to section 773(b)(2)(A)(ii) of the Act, there were reasonable grounds

to believe or suspect that Ekinciler had made home market sales at prices below their COPs in this (the first) review because the Department had disregarded sales below the COP for this company in the LTFV investigation. See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Steel Concrete Reinforcing Bars from Turkey*, 62 FR 9737, 9740 (Mar. 4, 1997). As a result, the Department initiated an investigation to determine whether Ekinciler made home market sales during the POR at prices below their respective COPs.

We calculated the COP based on the sum of Ekinciler's cost of materials and fabrication for the foreign like product, plus amounts for SG&A and packing costs, in accordance with section 773(b)(3) of the Act. We relied on Ekinciler's information as submitted, except in the specific instances discussed below.

(1) We considered Ekinciler to be the manufacturer of all rebar which was rolled by unaffiliated subcontractors because we find that Ekinciler controlled the production of this merchandise. See the memorandum on this topic from the Team to Louis Apple, dated April 30, 1999; and

(2) We revised the calculation of depreciation expenses related to the revaluation of fixed assets in order to use the index published by Turkish Ministry of Finance. See *World Accounting*, Orsini, Gould, McAllister, & Parikh, Matthew Bender & Co., Inc., 1998, page TRK-30.

As noted above, we determined that the Turkish economy experienced significant inflation during the POR. Therefore, in order to avoid the distortive effect of inflation on our comparison of costs and prices, we requested that Ekinciler submit the product-specific cost of manufacturing (COM) incurred during each month of the POR. We calculated a POR-average COM for each product after indexing the reported monthly costs during the POR to an equivalent currency level using the Turkish Wholesale Price Index from the International Financial Statistics published by the International Monetary Fund. We then restated the POR-average COMs in the currency values of each respective month.

We compared the weighted-average COP figures to home market prices of the foreign like product, as required under section 773(b) of the Act, in order to determine whether these sales had been made at prices below the COP. On a product-specific basis, we compared the COP to home market prices, less any applicable movement charges and selling expenses.

In determining whether to disregard home market sales made at prices below the COP, we examined whether such sales were made: (1) in substantial quantities within an extended period of time; and (2) at prices which permitted the recovery of all costs within a reasonable period of time in the normal course of trade. See sections 773(b)(2)(B), (C), and (D) of the Act.

Pursuant to section 773(b)(2)(C)(i) of the Act, where less than 20 percent of Ekinciler'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 Ekinciler's sales of a given product were at prices below the COP, we found that sales of that model were made in "substantial quantities" within an extended period of time (as defined in section 773(b)(2)(B) of the Act), in accordance with section 773(b)(2)(C)(i) of the Act. In such cases, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Therefore, for purposes of this administrative review, we disregarded the below-cost sales and used the remaining above-cost sales as the basis for determining NV, 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.

For those comparison products for which there were sales at prices above the COP, we based NV on ex-factory, ex-warehouse or delivered prices to home market customers. We excluded from our analysis home market re-sales by Ekinciler of merchandise produced by unaffiliated companies. Where appropriate, we added an amount for interest revenue received from home market customers for delayed payment of invoices. Also where appropriate, we made deductions from the starting price for foreign inland freight, inland insurance, and off-site warehousing expenses, in accordance with section 773(a)(6)(B) of the Act. We deducted home market packing costs and added U.S. packing costs, in accordance with section 773(a)(6) of the Act.

Where appropriate, we made adjustments to NV to account for differences in physical characteristics of the merchandise, in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411. We based this adjustment on the difference in the variable costs of manufacturing for the foreign like product and subject merchandise, using

POR-average costs as adjusted for inflation for each month of the POR, as described above.

B. ICDAS

We based NV on the starting price to unaffiliated customers. We made deductions for inland freight expenses (offset by freight revenue), where appropriate, pursuant to section 773(a)(6)(B) of the Act. Pursuant to section 773(a)(6)(C)(iii) if the Act, we also made deductions for home market credit expenses (offset by interest revenue), where appropriate. We recalculated home market credit expenses using the interest rates observed at verification.

Pursuant to section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410(c), we made circumstance-of-sale adjustments by adding U.S. credit expenses, bank charges, and Exporters' Association fees.

In addition, we deducted home market packing costs and added U.S. packing costs, in accordance with section 773(a)(6) of the Act.

Currency Conversion

The Department's preferred source for daily exchange rates is the Federal Reserve Bank. However, the Federal Reserve Bank does not track or publish exchange rates for Turkish Lira. Therefore, we made currency conversions based on the daily exchange rates from the Dow Jones News/Retrieval Service.

Preliminary Results of the Review

We preliminarily determine that the following margins exist for the respondents during the period October 10, 1996, through March 31, 1998 (for Ekinciler) and October 10, 1996, thorough July 31, 1998 (for ICDAS):

Manufacturer/producer/exporter	Margin percentage
Ekinciler Holding A.S./ Ekinciler Demir Celik A.S.	1.50
ICDAS Celik Enerji Tersane ve Ulasim Sanayi A.S.	10.22

The Department will disclose to parties the calculations performed in connection with these preliminary results within five days of the date of publication of this notice. Interested parties may request a hearing within 30 days of publication. Any hearing, if requested, will be held two days after the date rebuttal briefs are filed. Interested parties may submit cases briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than 35 days after the date of

publication of this notice. The Department will issue the final results of the administrative and new shipper reviews, including the results of its analysis of issues raised in any such written comments, within 120 days of publication of these preliminary results.

Upon completion of the administrative and new shipper reviews, the Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), we have calculated importer-specific assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of those sales, where available. Where the entered value was not available, we estimated the entered value by subtracting international movement expenses from the gross sales value. Pursuant to 19 CFR 351.106(c)(2), we will instruct the Customs Service to liquidate without regard to antidumping duties any entries for which the assessment rate is *de minimis* (i.e., less than 0.50 percent). The assessment rate will be assessed uniformly on all entries of that particular importer made during the POR. The Department will issue appraisal instructions directly to the Customs Service.

Further, the following deposit requirements will be effective for all shipments of rebar from Turkey entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of these administrative and new shipper reviews, as provided for by section 751(a)(2)(C) of the Act: 1) The cash deposit rates for the reviewed companies will be the rates established in the final results of these reviews; 2) for previously 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, or the LTFV investigation, 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) the cash deposit rate for all other manufacturers or exporters will continue to be 16.06 percent, the all others rate established in the LTFV investigation.

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

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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 and new shipper reviews and notice are in accordance with sections 751(a)(1) and (a)(2)(B) of the Act (19 U.S.C. 1675(a)(1) and (a)(2)(B)) and 19 CFR 351.213 and 214.

Dated: April 30, 1999.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

Notice of Opportunity To Apply for Membership on the U.S.-Korea Committee on Business Cooperation

SUMMARY: The Department of Commerce is currently seeking interim applications for membership on the U.S. side of the U.S.-Korea Committee on Business Cooperation (CBC). The purpose of the CBC is to facilitate stronger commercial ties between U.S. and Korean private sector businesses. This is accomplished by undertaking work programs, reporting on the results, and presenting written recommendations to the two governments. The CBC is chaired by the U.S. Secretary of Commerce and the Korean Minister of Commerce, Industry and Energy. Its activities are coordinated by an equal number of private sector representatives from the United States and Korea. The CBC held its second meeting in Seoul, Korea, on March 27, 1999. The work of the CBC is currently focused through eight sector-specific subgroups: (1) government procurement, (2) environmental technologies, (3) venture capital, (4) automobiles, (5) filmed entertainment, (6) electronic commerce, (7) a business opportunity network on the Internet, and (8) telecommunications. In particular, the Department is seeking representatives from the following sectors: electronic commerce, energy, and biotechnology.

MEMBERSHIP OPPORTUNITY: The CBC charter will expire October 1, 1999, and may be renewed upon the mutual agreement of the U.S. and Korea. There are several vacancies on the U.S. side of the CBC. Applications are now being sought for U.S. private sector members