

is a subsidy described in Article 3 or Article 6.1 of the Subsidies Agreement. The domestic parties did not specifically address this issue.

Because receipt of benefits provided under the FINEX Export Financing by the Fundo de Financiamento a Exportacao program are contingent upon exports, this program falls within the definition of an export subsidy under Article 3.1(A) of the Subsidies Agreement.

#### Final Results of Review

As a result of this review, the Department finds that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy at the rates listed below:

Manufacturer/exporters	Margin (percent)
All producers/manufacturers/exporters .....	1.06

This notice 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 19 CFR 351.305 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 terms of an APO is a sanctionable violation.

This five-year ("sunset") review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: June 1, 1999.

**Robert S. LaRussa,**

Assistant Secretary for Import Administration.

[FR Doc. 99-14341 Filed 6-4-99; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-533-063]

#### Final Results of Expedited Sunset Review: Iron Metal Castings From India

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

**ACTION:** Notice of Final Results of Expedited Sunset Review: Iron Metal Castings from India.

**SUMMARY:** On November 2, 1998, the Department of Commerce ("the

Department") initiated a sunset review of the countervailing duty order on iron metal castings from India (63 FR 58709) pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On the basis of a notice of intent to participate and substantive comments filed on behalf of the domestic parties, as well as inadequate response (in this case, no response) from respondent interested parties, the Department determined to conduct an expedited (120 day) review. As a result of this review, the Department finds that termination of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. The net countervailable subsidy and the nature of the subsidy are identified in the "Final Results of Review" section of this notice.

**FOR FURTHER INFORMATION CONTACT:** Jason M. Appelbaum or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th & Constitution, Washington, D.C. 20230; telephone: (202) 482-5050 or (202) 482-1560, respectively.

**EFFECTIVE DATE:** June 7, 1999.

#### Statute and Regulations

This review was conducted pursuant to sections 751(c) and 752 of the Act. The Department's procedures for the conduct of sunset reviews are set forth in *Procedures for Conducting Five-Year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*, 63 FR 13516 (March 20, 1998) ("*Sunset Regulations*") and in 19 CFR Part 351 (1998) in general. Guidance on methodological or analytical issues relevant to the Department's conduct of sunset reviews is set forth in the Department's Policy Bulletin 98:3—*Policies Regarding the Conduct of Five-Year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871 (April 16, 1998) ("*Sunset Policy Bulletin*").

#### Scope

The merchandise subject to this countervailing duty order are shipments of manhole covers and frames, clean-out covers and frames, and catch basin grates and frames from India. These articles are commonly called municipal or public works castings and are used for access or drainage for public utility, water, and sanitary systems. These articles must be of cast iron, not alloyed, and not malleable. This merchandise is currently classifiable under item

numbers 7325.10.0010 and 7325.10.0050 of the Harmonized Tariff Schedule of the United States ("HTSUS"). The HTSUS item numbers are provided for convenience and U.S. Customs purposes. We note that, in their substantive response, the domestic parties limit their description of the subject merchandise to HTSUS item number 7325.10.0010, which refers specifically to so-called "heavy" castings. The written description remains dispositive.

#### History of the Order

On August 20, 1980, the Department issued a final affirmative countervailing duty determination with respect to imports of certain iron construction castings from India.<sup>1</sup> In the final determination the Department found an "all others" estimated net subsidy of 13.33 percent *ad valorem* during the review period based on four programs: 12.5 percent under the Cash Compensatory System program, 0.4 percent under the preferential export financing program, 0.4 percent under the tax deductions under the export marketing allowance program, and 0.3 percent under the market development assistance program. Receipt of benefits under each of these programs was contingent upon exports. The Department also found the following net countervailable subsidy rates for the following five companies: Uma Iron & Steel—16.8 percent, RB Agarwalla—14.9 percent, Basant Udyog—13.8 percent, Kejriwal Iron & Steel Works—13.1 percent, and Kajaria Exports—12.9 percent. Additionally, the Department determined an "all others" rate of 13.3 percent.

On October 16, 1980, the Department issued a countervailing duty order which confirmed the subsidy rates found in the original investigation.<sup>2</sup> The cash deposit rate was subsequently revised by the Department to take into account program-wide changes in the Cash Compensatory Support program, which reduced the program-specific subsidy from 12.5 percent to 5.0 percent.<sup>3</sup>

Since the issuance of the order, the Department has conducted 14 administrative reviews covering the four countervailable programs from the original investigation and 10 other

<sup>1</sup> See *Countervailing Duties—Certain Iron Metal Castings From India; Final Countervailing Duty Determination*, 45 FR 55502 (August 20, 1980).

<sup>2</sup> See *Certain Iron Metal Castings From India; Countervailing Duty Order*, 45 FR 68650 (October 16, 1980).

<sup>3</sup> See *Certain Iron Metal Castings From India; Adjustment of Countervailing Duty Deposit Rate*, 46 FR 38398 (July 27, 1981).

programs which were found to be countervailable.<sup>4</sup> Over the course of these 14 administrative reviews, the Department has also reviewed 22 additional companies.

In the third administrative review, covering the period January 1, 1984 to December 31, 1984, the Department found that two new countervailable programs existed and were conferring benefits.<sup>5</sup> The first program, the International Price Reimbursement Scheme ("IPRS") was determined to be a direct export subsidy conferring benefits of 6.54 percent. The second new countervailable program, tax deduction for exporters under section

80HHC, was determined to confer benefits of 0.02 percent.

In the next administrative review, the Department found another countervailable export subsidy under a post-shipment export financing program operated by the Reserve Bank of India. The Department determined, in the final results of this administrative review, that countervailable benefits of 0.98 percent were being given under this program.<sup>6</sup>

In the administrative review covering the period January 1, 1987 to December 31, 1987, the Department found the sale of replenishment licenses to provide a countervailable subsidy because exporters receive the licenses based on their status as exporters. This program, benefits through the sale of import licenses, was determined to provide a countervailable subsidy of 0.01 percent.<sup>7</sup>

In the next administrative review, covering the period January 1, 1988 to December 31, 1988, the Department found that producers of castings were receiving benefits through the sale of additional licenses and that these benefits were 0.35 percent.<sup>8</sup>

In the administrative review covering the period January 1, 1993 to December 31, 1993, the Department determined that three new countervailable programs existed. Benefits were being provided under post-shipment export financing denominated in foreign currency at a rate of 1.25 percent, under an exemption of export credit for interest taxes at a rate of 0.06 percent, and under an advanced license through the Liberalized Exchange Rate Management System ("LERMS") at a rate of 0.33 percent.<sup>9</sup>

Lastly, the Department, in the administrative review for the period January 1, 1994 to December 31, 1994, found two new countervailable programs: pre-shipment credit in foreign currency and payment of premium against advance license. Because receipt of benefits under both of these programs were contingent upon export performance, the Department found both programs were export subsidies. However, the Department determined that the benefits under both programs were zero percent.<sup>10</sup>

In addition to the Department's findings of new countervailable programs over the life of the order, the Department has also found that five programs have been terminated since the issuance of the order. Of the programs from the original investigation, two programs, the Cash Compensatory Support program and the income tax deductions under the export market development allowance, were both found to be terminated. The Cash Compensatory Support program was determined to have been terminated by the GOI on July 3, 1991.<sup>11</sup> The Department stated in the final results of the reviews covering 1990 and 1991, that India's Ministry of Commerce terminated the Cash Compensatory Support program as of July 3, 1991. In our position in responses to Comment 2 in final determination notice related to 1991, we explained that we disagreed with the petitioners assertion that the program was merely suspended. Rather, we noted that the India Ministry of Commerce announcement concluded that the program was terminated.

In the final results of the 1982 administrative review, the Department stated that the Income Tax Deduction Under the Export Markets Development Allowance program was terminated.<sup>12</sup> Specifically, the Department noted that on May 13, 1983, the Indian government published in the Gazette of India the Finance Act of 1983, which included an amendment to Article 35B. Effective April 1, 1983, no income tax benefits

<sup>4</sup> See *Certain Iron Metal Castings From India; Final Results of Administrative Review of Countervailing Duty Order*, 48 FR 56092 (December 19, 1983); *Certain Iron Metal Castings From India; Final Results of Administrative Review of Countervailing Duty Order*, 49 FR 40943 (October 18, 1984); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 51 FR 45788 (December 22, 1986); *Certain Iron Metal Castings From India; Amendment to Final Results of Countervailing Administrative Review in Accordance With Decision Upon Remand*, 53 FR 37014 (September 23, 1988); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 55 FR 50747 (December 10, 1990); *Final Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 1976 (January 18, 1991); *Final Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 41658 (August 22, 1991); *Final Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 52515 (October 21, 1991); *Final Results of Countervailing Duty Administrative Review; Certain Iron Metal Casting From India*, 56 FR 52521 (October 21, 1991); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 60 FR 44849 (August 29, 1995); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 60 FR 44843 (August 29, 1995); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 61 FR 64687 (December 6, 1996); *Certain Iron Metal Castings From India; Amended Final Results of Countervailing Duty Administrative Review*, 62 FR 590 (January 3, 1997); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 61 FR 64676 (December 6, 1996); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 62 FR 32297 (June 13, 1997); *Certain Iron Metal Castings From India; Amended Final Results of Countervailing Duty Administrative Review in Accordance With Decision Upon Remand*, 63 FR 67858 (December 9, 1998); and *Certain Iron Metal Castings From India; Final Results and Partial Rescission of Countervailing Duty Administrative Review*, 63 FR 64050 (November 18, 1998).

<sup>5</sup> See *Certain Iron-Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 51 FR 35676 (October 7, 1986); *Certain Iron-Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 51 FR 45788 (December 22, 1986); and *Certain Iron-Metal Castings From India; Amendment to Final Results of Countervailing Duty Administrative Review in Accordance With Decision Upon Remand*, 53 FR 37014 (September 23, 1988).

<sup>6</sup> See *Certain Iron-Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 55 FR 12702 (April 5, 1990); *Certain Iron-Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 55 FR 50747 (December 10, 1990); and *Certain Iron-Metal Castings From India; Amended Final Results of Countervailing Duty Administrative Review in Accordance With Decision Upon Remand*, 63 FR 67858 (December 9, 1998).

<sup>7</sup> See *Preliminary Results of Countervailing Duty Administrative Review; Certain Iron-Metal Castings From India*, 56 FR 41654 (August 22, 1991) and *Final Results of Countervailing Duty Administrative Review; Certain Iron-Metal Castings From India*, 56 FR 52515 (October 21, 1991).

<sup>8</sup> See *Preliminary Results of Countervailing Duty Administrative Review; Certain Iron-Metal Castings From India*, 56 FR 41650 (August 22, 1991) and *Final Results of Countervailing Duty Administrative Review; Certain Iron-Metal Castings From India*, 56 FR 52521 (October 21, 1991).

<sup>9</sup> See *Certain Iron-Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 61 FR 25623 (May 22, 1996) and *Certain Iron-Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 61 FR 64676 (December 6, 1996).

<sup>10</sup> See *Certain Iron-Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 61 FR 64669 (December 6, 1996) and *Certain Iron-Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 62 FR 32297 (June 13, 1997).

<sup>11</sup> See *Certain Iron-Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 60 FR 44843 (August 29, 1995).

<sup>12</sup> See *Certain Iron-Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 49 FR 32279 (August 16, 1984) and *Certain Iron-Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 49 FR 40943 (October 18, 1984).

were available for expenditures incurred after March 1, 1983.

Three other programs that were instituted after the completion of the original investigation were also found to subsequently be terminated. The IPRS program was found to have been terminated as of June 30, 1987.<sup>13</sup> The Department verified this termination by examining a circular from the Indian Ministry of Commerce which stated that claims were not to be made on exports of castings to the United States and, as such, the Department determined that this constituted termination of the program. Additionally, the Department determined that benefits under the LERMS program were terminated as of February 28, 1993 and that benefits under the program of post-shipment export financing denominated in foreign currency were terminated effective February 8, 1996 by the GOI.<sup>14</sup>

This review covers all producers and exporters of iron metal castings from India.

### Background

On November 2, 1998, the Department initiated a sunset review of the countervailing duty order on iron metal castings from India (63 FR 58709), pursuant to section 751(c) of the Act. The Department received a Notice of Intent to Participate on behalf of the Municipal Castings Fair Trade Council ("MCFTC") and its individual members<sup>15</sup> (collectively "the domestic parties"), on November 17, 1998, within the deadline specified in section 351.218(d)(1)(i) of the *Sunset Regulations*. We received a complete substantive response on behalf of the domestic parties on December 2, 1998, within the 30-day deadline specified in the *Sunset Regulations* under section 351.218(d)(3)(i). The individual members of the MCFTC claimed interested party status as manufacturers

of domestic like products and MCFTC claimed interested party status as a trade association representing the domestic parties.

The Department also received a statement of waiver from the Engineering Export Promotion Council ("EEPC") of India on December 1, 1998. We did not receive a response from the Government of India ("GOI"). Therefore, since the Department did not receive a substantive response from any respondent interested party and pursuant to 19 CFR 351.218(e)(1)(ii)(C), the Department determined to conduct an expedited, 120-day, review of this order.

The Department determined that the sunset review of the countervailing duty order on iron metal castings from India is extraordinarily complicated. In accordance with section 751(c)(5)(C)(v) of the Act, the Department may treat a review as extraordinarily complicated if it is a review of a transition order (*i.e.*, an order in effect on January 1, 1995). (See section 751(c)(6)(C) of the Act.) Therefore, on March 2, 1999, the Department extended the time limit for completion of the final results of this review until not later than June 1, 1999, in accordance with section 751(c)(5)(B) of the Act.<sup>16</sup>

### Determination

In accordance with section 751(c)(1) of the Act, the Department conducted this review to determine whether termination of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, the Department shall consider the net countervailable subsidy determined in the investigation and subsequent reviews, and whether any change in the program which gave rise to the net countervailable subsidy has occurred that is likely to affect that net countervailable subsidy. Pursuant to section 752(b)(3) of the Act, the Department shall provide to the International Trade Commission ("the Commission") the net countervailable subsidy likely to prevail if the order is revoked. In addition, consistent with section 752(a)(6), the Department shall provide to the Commission information concerning the nature of the subsidy and whether the subsidy is a subsidy described in Article 3 or Article 6.1 of the Subsidies Agreement.

The Department's determinations concerning continuation or recurrence

of a countervailable subsidy, the net countervailable subsidy likely to prevail if the order is revoked, and nature of the subsidy are discussed below. In addition, the domestic parties' comments with respect to each of these issues are addressed within the respective sections.

### Continuation or Recurrence of a Countervailable Subsidy

Drawing on the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act ("URAA"), specifically the Statement of Administrative Action ("the SAA"), H.R. Doc. No. 103-316, vol. 1 (1994), the House Report, H.R. Rep. No. 103-826, pt.1 (1994), and the Senate Report, S. Rep. No. 103-412 (1994), the Department issued its *Sunset Policy Bulletin* providing guidance on methodological and analytical issues, including the basis for likelihood determinations. The Department clarified that determinations of likelihood will be made on an order-wide basis (see section III.A.2 of the *Sunset Policy Bulletin*). Additionally, the Department normally will determine that revocation of a countervailing duty order is likely to lead to continuation or recurrence of a countervailable subsidy where (a) a subsidy program continues, (b) a subsidy program has been only temporarily suspended, or (c) a subsidy program has been only partially terminated (see section III.A.3.a of the *Sunset Policy Bulletin*). Exceptions to this policy are provided where a company has a long record of not using a program (see section III.A.3.b of the *Sunset Policy Bulletin*).

In addition to considering guidance on likelihood provided in the *Sunset Policy Bulletin* and legislative history, section 751(c)(4)(B) of the Act provides that the Department shall determine that revocation of an order is likely to lead to continuation or recurrence of a countervailable subsidy where a respondent interested party waives its participation in the sunset review. According to the *Sunset Regulations* and the SAA at 881, in a review of a countervailing duty order where the foreign government has waived participation, the Department shall conclude that respondent interested parties have provided inadequate response to the notice of initiation and will normally determine that revocation of the order would be likely to lead to continuation or recurrence of a countervailable subsidy.<sup>17</sup> In the instant review, the Department did not receive a substantive response from the GOI.

<sup>13</sup> See *Final Results of Countervailing Duty Administrative Review; Certain Iron-Metal Castings From India*, 56 FR 41658 (August 22, 1991).

<sup>14</sup> See *Certain Iron-Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 61 FR 64676 (December 6, 1996) and *Certain Iron-Metal Castings From India; Final Results and Partial Rescission of Countervailing Duty Administrative Review*, 63 FR 64050 (November 18, 1998).

<sup>15</sup> The MCFTC is comprised of Allegheny Foundry Company, Bingham & Taylor, Deeter Foundry Inc., East Jordan Iron Works, Inc., LeBaron Foundry, Inc., Municipal Castings, Inc., Neenah Foundry Company, Tyler Pipe, and U.S. Foundry & Manufacturing Co. The domestic parties stated that only so-called "heavy" castings are subject to the order. Since Bingham & Taylor and Tyler Pipe are manufacturers of so-called "light" castings only, they would not be interested parties in this review. However, since the order does cover both heavy and light castings, these two companies would be interested parties in this review.

<sup>16</sup> See *Iron Metal Castings From India: Extension of Time Limit for Final Results of Five-Year Review*, 64 FR 10992 (March 8, 1999).

<sup>17</sup> See 19 CFR 351.218(d)(2)(iv).

Pursuant to section 351.218(d)(2)(iii) of the *Sunset Regulations*, this constitutes a waiver of participation. Further, the EEPC submitted a statement of waiver.

In their substantive response, the domestic parties argue that it is likely that a countervailable subsidy would continue to be provided to manufacturers and exporters of the subject merchandise if the countervailing duty order were revoked. (See December 2, 1998 Substantive Response of the domestic parties at 42.) The domestic parties state that the record demonstrates that, since the imposition of the countervailing duty order, the GOI has continued to provide subsidies to producers/exporters of castings. Further, the domestic parties argue that the manner in which the GOI ended certain key subsidies could result in easy reinstatement. Finally, the domestic parties state that when some subsidy programs are found to be countervailable, other subsidy programs are introduced in their place.

The domestic parties discuss two specific subsidy programs of the Government of India: the International Price Reimbursement Scheme (IPRS) and the Cash Compensatory Support Program (CCS). According to the domestic parties, the GOI's handling of these two programs is indicative of the way in which the GOI responds to a determination by the Department that a program is countervailable. First, in regards to the IPRS program, the domestic parties argue that, after the Department determined that the program provided a countervailable subsidy the EEPC (a quasi-governmental entity or trade association representing exporters of the subject castings) implemented a plan whereby producers/exporters of heavy castings were asked not to make further claims against exports of heavy castings to the United States as of July 1, 1987. (See December 2, 1998 Substantive Response of the domestic parties at 45-46.) The domestic parties argue that this cessation of claims against the IPRS program was only for heavy castings and, since it was not brought about by government legislation, regulation, or decree, the program can be resumed at any time.

Additionally, the domestic parties argue that the CCS program may also be easily reinstated should the order be revoked. According to the domestic parties, the CCS program was not terminated by an official act. Therefore, it can be restarted rather easily in the event that this order were revoked. Finally, the domestic parties argue that the Department, in its most recent administrative review, found 12

programs that were currently not in use, but that have not been terminated, thus leaving open the possibility that these programs may be resumed should the order be revoked.

In conclusion, the domestic parties argue that the Department should find that there is a likelihood that a countervailable subsidy would continue if the order were revoked.

The *Sunset Policy Bulletin*, at section III.A.3.a, states that, consistent with the SAA at 888, continuation of a program will be highly probative of the likelihood of continuation or recurrence of countervailable subsidies. Temporary suspension or partial termination of a subsidy program also will be probative of continuation or recurrence of countervailable subsidies, absent significant evidence to the contrary. Additionally, the *Sunset Policy Bulletin* provides that, where a program has been officially terminated by the foreign government, this will be probative of the fact that the program will not continue or recur if the order is revoked. (See *Sunset Policy Bulletin* at section III.A.5.)

We agree with the domestic parties that Indian producers/exporters continue to benefit from several countervailable subsidy programs. The Department, in its most recent administrative review, determined that there are six countervailable programs currently in use and also listed 13 programs that were found not to be used.<sup>18</sup> As stated above, the continued use of a program is highly probative of the likelihood of continuation or recurrence of countervailable subsidies if the order were revoked. Additionally, the presence of programs that have not been used, but have also not been terminated, is also probative of the likelihood of continuation or recurrence of a countervailable subsidy. Therefore, because there are countervailable programs that are currently being used and others that remain in existence, the foreign government and other respondent interested parties waived their right to participate in this review before the Department, and absent argument and evidence to the contrary, the Department determines that it is likely that a countervailable subsidy will continue if the order were revoked.

#### Net Countervailable Subsidy

In the *Sunset Policy Bulletin*, the Department stated that, consistent with the SAA and House Report, the Department normally will select a rate

from the investigation, because that is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order or suspension agreement in place. The Department went on to clarify that this rate may not be the most appropriate if, for example, the rate was derived from subsidy programs which were found in subsequent reviews to be terminated, there has been a program-wide change, or the rate ignores a program found to be countervailable in a subsequent review. Additionally, where the Department determined company-specific countervailing duty rates in the original investigation, the Department normally will report to the Commission company-specific rates from the original investigation or where no company-specific rate was determined for a company, the Department normally will provide to the Commission the country-wide or "all others" rate. (See *Sunset Policy Bulletin* at section III.B.2.)

The domestic parties, citing the *Sunset Policy Bulletin*, state that the Department should select, as the net countervailable subsidy likely to prevail, the company-specific and "all others" rates from the original investigation.

The Department disagrees with the domestic parties' argument concerning the net countervailable subsidy rate that is likely to prevail. As stated above, the *Sunset Policy Bulletin* does state that the Department will normally choose the rate from the investigation, since this is the only rate that reflects how a foreign government and exporters will act without the discipline of an order in place. However, the *Sunset Policy Bulletin* also provides that adjustments may be made to the net countervailable subsidy likely to prevail where programs have either been terminated or where new programs have been added. As the domestic parties noted in their substantive response, new programs have been added and some programs have been terminated over the life of the order. Specifically, the Department, through the process of administrative reviews, has determined that four programs have been terminated. These programs—"the Cash Compensatory Support program (CCS), the International Price Reimbursement Scheme (IPRS), the Income Tax Deductions Under the Export Market Development Allowance program, the Imports Made Under an Advance License Through the Liberalized Exchange Rate Management System (LERMS) program, and the Post Shipment Export Financing Denominated in Foreign Currency

<sup>18</sup> See *Certain Iron Metal Castings From India: Final Results and Partial Rescission of Countervailing Duty Administrative Review*, 63 FR 64050 (November 18, 1998).

(PSCFC) program—“ have all been found to be terminated, with no residual benefits.<sup>19</sup> Therefore, pursuant to the *Sunset Policy Bulletin* the net countervailable subsidy likely to prevail has been adjusted to reflect the termination of these programs. The net countervailable subsidy has also been adjusted to account for new programs identified during administrative reviews.<sup>20</sup>

As a result of changes in programs since the imposition of the countervailing duty order, the Department has determined that using the net countervailable subsidy rates, as

determined in the original investigation, is no longer appropriate. Rather, we have adjusted the company-specific and “all others” countervailing duty rates from the original investigation by adding in the rates from the first time a new program was used and subtracting out the subsidy rates from programs that have been terminated. (See Memorandum to File regarding calculation of the net countervailable subsidy.) As a result, the Department will report to the Commission the rates as contained in the Final Results of Review section of this notice.

**Nature of the Subsidy**

In the *Sunset Policy Bulletin*, the Department stated that, consistent with section 752(a)(6) of the Act, the Department will provide information to the Commission concerning the nature of the subsidy and whether the subsidy is a subsidy described in Article 3 or Article 6.1 of the Subsidies Agreement. The domestic parties did not specifically address this issue.

Because receipt of benefits provided by the GOI’s countervailable programs are contingent upon exports, these programs fall within the definition of export subsidies under Article 3.1(A) of the Subsidies Agreement.

**Final Results of Review**

As a result of this review, the Department finds that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of a countervailable subsidy at the rates listed below:

Manufacturer/exporters	Margin (percent)
Uma Iron & Steel .....	1.76
R.B. Agarwalla & Co. ....	0.84
Basant Udyog .....	1.82
Kejriwal Iron & Steel Works .....	1.82
Kajaria Exports .....	0.84
All others .....	1.82

This notice 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 19 CFR 351.305 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 terms of an APO is a sanctionable violation.

This five-year (“sunset”) review and notice are in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: June 1, 1999.

**Robert S. LaRussa,**  
Assistant Secretary for Import Administration.

[FR Doc. 99–14340 Filed 6–4–99; 8:45 am]

BILLING CODE 3510-DS-P

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**North American Free-Trade Agreement, Article 1904 NAFTA Panel Reviews; Request for Panel Review**

**AGENCY:** NAFTA Secretariat, United States Section, International Trade Administration, Department of Commerce.

**ACTION:** Notice of first request for panel review.

**SUMMARY:** On May 18, 1999 Cinsa, S.A. de C.V. (“Cinsa”) and Esmaltaciones de Norte America, S.A. de C.V. (“ENASA”) filed a First Request for Panel Review with the United States Section of the NAFTA Secretariat pursuant to Article 1904 of the North American Free Trade Agreement. Panel review was requested of the final antidumping administrative review made by the International Trade Administration, respecting Porcelain-on-Steel Cookware from Mexico. This determination was published in the **Federal Register**, 64, 26,934 on May 18, 1999. The NAFTA Secretariat has assigned Case Number USA–CDA–99–1904–05 to this request.

**FOR FURTHER INFORMATION CONTACT:** Caratina L. Alston, Acting United States Secretary, NAFTA Secretariat, Suite 2061, 14th and Constitution Avenue, Washington, DC 20230, (202) 482–5438.

**SUPPLEMENTARY INFORMATION:** Chapter 19 of the North American Free-Trade Agreement (“Agreement”) establishes a mechanism to replace domestic judicial review of final determinations in antidumping and countervailing duty cases involving imports from a NAFTA country with review by independent binational panels. When a Request for Panel Review is filed, a panel is established to act in place of national courts to review expeditiously the final determination to determine whether it conforms with the antidumping or countervailing duty law of the country that made the determination.

Under Article 1904 of the Agreement, which came into force on January 1, 1994, the Government of the United States, the Government of Canada and the Government of Mexico established *Rules of Procedure for Article 1904 Binational Panel Reviews* (“Rules”). These Rules were published in the

<sup>19</sup>For information concerning program terminations *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 60 FR 44843 (August 29, 1995); *Final Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 41658 (August 22, 1991); *Certain Iron Metal Castings From India; Preliminary Results of Administrative Review of Countervailing Duty Order*, 49 FR 32779 (August 16, 1984); *Certain Iron Metal Castings From India; Final Results of Administrative Review of Countervailing Duty Order*, 49 FR 40943 (October 18, 1984); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 61 FR 64676 (December 6, 1996); and *Certain Iron Metal Castings From India; Final Results and Partial Rescission of Countervailing Duty Administrative Review*, 63 FR 64050 (November 18, 1998) respectively. For the case of the income tax deductions (the preliminary and final results published in 1984) the comment by the Department regarding the termination of this program is found in the preliminary results and is reaffirmed in the final results.

<sup>20</sup>For new programs *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 51 FR 45788 (December 22, 1986); *Certain Iron Metal Castings From India; Amendment to Final Results of Countervailing Duty Administrative Review in Accordance With Decision Upon Remand*, 53 FR 37014 (September 23, 1988); *Certain Iron Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 51 FR 35676 (October 7, 1986); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 51 FR 45788 (December 22, 1986); *Certain Iron Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 55 FR 12702 (April 5, 1990); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 55 FR 50747 (December 10, 1990); *Preliminary Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 29626 (June 28, 1991); *Final Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 41658 (August 22, 1991); *Preliminary Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 41654 (August 22, 1991); *Final Results of Countervailing Duty Administrative Review; Certain Iron Metal Castings From India*, 56 FR 52515 (October 21, 1991); *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 61 FR 64676 (December 6, 1996); *Certain Iron Metal Castings From India; Preliminary Results of Countervailing Duty Administrative Review*, 61 FR 64669 (December 6, 1996); and *Certain Iron Metal Castings From India; Final Results of Countervailing Duty Administrative Review*, 62 FR 32297 (June 13, 1997).