consumption entries during the POR of OCTG from Mexico exported by TAMSA. As part of this investigation, the Department issued supplemental questionnaires on March 28, 2003, and April 14, 2003. On April 4, 2003 and April 23, 2003, TAMSA submitted its responses to the supplemental questionnaires.

The Department has thoroughly investigated proprietary information from U.S. Customs Service (as of March 1, 2003, renamed the U.S. Bureau of Customs and Border Protection) (Customs) for all HTSUS numbers covered by the scope of this review. After reviewing the Customs information and the public data submitted by petitioner, the Department determined that the merchandise entered during the POR was exported from a third country or was exported to a foreign trade zone by TAMSA. The Department notes that the merchandise was entered under the proper country of export (the third country or Mexico) and the merchandise was declared as being of Mexican origin and was entered subject to duty.

Finally, the Department requested additional information from Customs and the respondent regarding certain entries. Both Customs and TAMSA submitted information pertaining to these entries (*see* August 6, 2003 TAMSA submission). The documentation clearly indicates the merchandise was first admitted into a foreign trade zone. After further analysis we found that these entries were subsequently entered for consumption in the U.S. and were subject to antidumping duties. After reviewing the information, the Department determines that TAMSA had no knowledge that these sales were destined for consumption in the United States. Under these circumstances, Petitioners did not object to rescinding this review involving these entries of subject merchandise produced by TAMSA. *See Memorandum to the File From Richard O. Weible dated August 21, 2003.*

Accordingly, we are rescinding this review. The cash deposit rate will continue to be the rate established in the most recently completed segment of this proceeding.

This notice is issued and published in accordance with sections 777(i) of the Act and 19 CFR 351.213(d)(4).

Dated: September 2, 2003.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 03–22784 Filed 9–05–03; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–351–824]

Silicomanganese From Brazil: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of extension of time limit for preliminary results of antidumping duty administrative review.

SUMMARY: The Department of Commerce is extending the time limit for the preliminary results of the administrative review of the antidumping duty order on silicomanganese from Brazil. The preliminary results of this review are now due on October 17, 2003.

EFFECTIVE DATE: September 8, 2003.

FOR FURTHER INFORMATION CONTACT: Brian Ellman, (202) 482–4852, or Katja Kravetsky, (202) 482–0108, AD/CVD Enforcement 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Ave., NW, Washington, DC 20230.

Extension of Time Limit for Preliminary Results of Review

On January 22, 2003, in response to a request to conduct an administrative review of the antidumping duty order on silicomanganese from Brazil, the Department of Commerce (''the Department'') published a notice of initiation of administrative review covering the period December 1, 2001, through November 30, 2002. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 68 FR 3009.

Currently, the preliminary results of this administrative review are due no later than September 2, 2003. Due to the complexity of certain cost issues, including the cost investigation and high inflation during the period of review, that have arisen in the course of the review, it is not practicable to complete the preliminary results within the time limits mandated by section 751(a)(3)(A) of the Tariff Act of 1930, as amended. Therefore, in accordance with that section, the Department is extending the time limit for completion of the preliminary results until no later than October 17, 2003. The deadline for the final results of this review will continue to be 120 days after publication of the preliminary results.

Dated: August 29, 2003.

Jeffrey May,

Deputy Assistant Secretary for Import Administration, Group I.

[FR Doc. 03–22786 Filed 9–5–03; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[C–201–810]

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

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

ACTION: Notice of preliminary results of countervailing duty administrative review.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty order on certain cut-to-length carbon steel plate (CTL Plate) from Mexico for the period January 1, 2001, through December 31, 2001, the period of review (POR). For information on the net subsidy for the reviewed company as well as for non-reviewed companies, please see the ''Preliminary Results of Review'' section of this notice. If the final results remain the same as these preliminary results of the administrative review, we will instruct the Bureau of Customs and Border Protection (BCBP) to assess countervailing duties as detailed in the ''Preliminary Results of Review'' section of this notice. Interested parties are invited to comment on these preliminary results. (See the ''Public Comment'' section of this notice).

EFFECTIVE DATE: September 8, 2003.

FOR FURTHER INFORMATION CONTACT: Lyman Armstrong, AD/CVD Enforcement, Office VI, Group II, Import Administration, U.S. Department of Commerce, Room 4012, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482–3601.

SUPPLEMENTARY INFORMATION:

Background

On August 17, 1993, the Department published in the **Federal Register** (58 FR 43755) the countervailing duty order on certain cut-to-length carbon steel plate from Mexico. On August 6, 2002, the Department published a notice of ''Opportunity to Request an Administrative Review'' (67 FR 50856) of this countervailing duty order. On

August 30, 2002, we received a timely request for review from Altos Hornos de Mexico, S.A. (AHMSA), the respondent company in this proceeding. On September 25, 2002, we initiated the review covering the period January 1, 2001, through December 31, 2001 (67 FR 60210). *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part,* 67 FR 60210 (September 25, 2002).

On September 27, 2002, we issued initial questionnaires to AHMSA and the Government of Mexico (GOM) covering the programs reviewed in the previous segment of the proceeding. On October 22, 2002, petitioners argued that two GOM programs, asset tax relief provided under the Immediate Deduction Program and the Program for Sectoral Promotion (PROSEC), were either subsumed by or successors to programs previously found to be countervailable in this proceeding and, thus, should be included in any questionnaires issued to AHMSA and the GOM.[1] On December 16, 2002, petitioners submitted new subsidy allegations. These allegations included the Immediate Deduction Program and PROSEC as well as the following programs: Provision of Debt Relief from AHMSA's Creditors by Nacional Financiera (NAFIN) and the Coahuila State Government (CGS), Petroleos Mexicanos (Pemex) Guaranteed Provision of Natural Gas for less than Adequate Remuneration, and Debt Relief on Banco Nacional de Comercio Exterior S.N.C. (Bancomext) Loans. Petitioners also alleged that AHMSA was uncreditworthy during calendar year 2000. On January 21, 2003, petitioners submitted additional factual information regarding their new subsidy allegations.

On March 26, 2003, we extended the period for completion of the preliminary results of review pursuant to section 751(a)(3) of the Tariff Act of 1930, as amended, (the Act). *See Certain Cut-to-Length Carbon Steel Plate From Mexico: Extension of Time Limit for Preliminary Results of Countervailing Duty Administrative Review* (68 FR 14580). On April 29, 2003, we issued our first supplemental questionnaires to AHMSA and the GOM.

On June 3, 2003, we issued a memorandum concerning petitioners' new subsidy allegations. In the memorandum, we agreed with petitioners that asset tax relief provided under the Immediate Deduction Program was related to a program previously found countervailable by the Department and that the program merited an examination in the instant proceeding. Furthermore, we initiated investigations of the following programs: Provision of Debt Relief from AHMSA's Creditors by Nacional Financiera (NAFIN) and the Coahuila State Government (CGS), Petroleos Mexicanos (Pemex) Guaranteed Provision of Natural Gas for less than Adequate Remuneration, and Banco Nacional de Comercio Exterior S.N.C. (Bancomext) Debt Relief. In addition, we initiated an investigation of AHMSA's creditworthiness covering calendar year 2000. We declined to initiate an investigation of PROSEC because we found no record evidence to support petitioners allegation that the PROSEC program was countervailable. For more information, see the June 3, 2003, memorandum from the Team to Melissa G. Skinner, Director, Office of AD/CVD Enforcement VI, the public version of which is on file in Room B–099 of the Central Records Unit (CRU) in the Main Commerce Building (*New Subsidies Memorandum*). The programs for which we initiated investigations are discussed in further detail in the ''Creditworthiness and Calculation of Discount Rate'' and ''Analysis of Programs'' sections of this preliminary results notice.

On June 3, 2003, we issued second supplemental questionnaires to AHMSA and the GOM. On June 30, 2003, we issued a third supplemental questionnaire to AHMSA.

From July 16 through July 24, 2003, we conducted a verification of the questionnaire responses submitted by AHMSA and the GOM. The results of our verification are contained in the September 2, 2003, memoranda from Lyman Armstrong to Eric Greynolds, Program Manager, Office of AD/CVD Enforcement VI (AHMSA Verification Report and GOM Verification Report, respectively), the public versions of which are on file in the CRU.

In accordance with 19 CFR 351.213(b), this review covers only those producers or exporters for which a review was specifically requested, *i.e.*, AHMSA, and 17 programs.

Scope of Review

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

Allocation Period

Pursuant to 19 CFR 351.524(d)(2), we will presume the allocation period for non-recurring subsidies to be the average useful life (AUL) of renewable physical assets for the industry concerned, as listed in the Internal Revenue Service's (IRS) 1977 Class Life Asset Depreciation Range System, as updated by the Department of the Treasury. The presumption will apply unless a party claims and establishes that these tables do not reasonably reflect the AUL of the renewable physical assets for the company or industry under investigation or review, and that the difference between the company-specific AUL and the AUL for the industry under investigation is significant.

In this administrative review, the Department is considering both non-recurring subsidies previously allocated in the initial investigation and non-recurring subsidies received since the period of investigation (POI). For non-recurring subsidies previously allocated in the initial investigation, the

[1] Petitioners are Bethlehem Steel Corporation and United States Steel Corporation.

Department is using the original allocation period of 15 years. For non-recurring subsidies received since the original investigation, no party to the proceeding has claimed that the AUL listed in the IRS tables did not reasonably reflect the AUL of the renewable physical assets for the firm or industry under review. Therefore, in accordance with 19 CFR 351.524(d)(2), we have allocated all of AHMSA's non-recurring subsidies received since the original investigation over 15 years, the AUL listed in the IRS tables for the steel industry.

Facts Available

In the course of this proceeding, we have repeatedly sought information from AHMSA concerning its creditworthiness status during calendar year 2000, in connection with the renegotiation of a loan. See questions C.1 through C.7 of the Department's June 3, 2003, supplemental questionnaire. See also question B.1 of the Department's June 30, 2003, supplemental questionnaire. In both instances, AHMSA responded that it was ''unable to respond to the Department's questions on creditworthiness at this time.'' [2]

Section 776(a) of the Act requires the use of facts available when an interested party withholds information that has been requested by the Department, or when an interested party fails to provide the information requested in a timely manner and in the form required. As described above, AHMSA has failed to provide information regarding its creditworthiness during calendar year 2000 in the manner explicitly and repeatedly requested by the Department; therefore, we must resort to the facts otherwise available. Lacking a questionnaire response from AHMSA on the issue of its creditworthiness in 2000, we have relied on primary source information from AHMSA that was submitted onto the record of this proceeding prior to the initiation of our creditworthiness investigation. Namely, we have used, as facts available, AHMSA's financial statements for the years 1997 through 2000, as well as information obtained during verification concerning AHMSA's financial standing in 2000. Using this primary source information, we have determined that, for purposes of these preliminary results, AHMSA was uncreditworthy during 2000. For a discussion of our creditworthiness analysis, see the September 2, 2003 memorandum from the team to Melissa G. Skinner, Director, Office of AD/CVD Enforcement VI, a public document which is on file in the CRU (*Creditworthiness Memorandum*) as well as the ''Creditworthiness and Calculation of Discount Rate'' section of this preliminary results notice.

Change in Ownership

In November 1991, the GOM sold all of its ownership interest in AHMSA. Prior to privatization, AHMSA was almost entirely owned by the GOM. Since November 1991, the GOM has held no stock in AHMSA.

In accordance with the decision of the U.S. Court of Appeals for the Federal Circuit (CAFC) in *Delverde Srl* v. *United States*, 202 F.3d 1360, 1365 (Fed. Cir. 2000), *reh'g en banc denied* (June 20, 2000) (*Delverde III*), the Department addresses this fact pattern by first determining whether the person who received the subsidies is, in fact, distinct from the person that produced the subject merchandise exported to the United States during the POR. If the two are distinct, the original subsidies may not be attributed to the new producer/exporter. On the other hand, if the original subsidy recipient and the current producer/exporter are considered to be the same person, that person benefits from the original subsidies, and its exports are subject to countervailing duties to offset those subsidies. In other words, in the latter case, we will determine that a ''financial contribution'' has been made by a government and a ''benefit'' has been conferred upon the ''person'' that is the firm under investigation. Assuming that the original subsidy had not been fully amortized under the Department's normal allocation methodology as of the POR, the Department would continue to countervail the remaining benefits of that subsidy. See *e.g.*, the ''Change in Ownership'' section of the Decision Memorandum that accompanied the *Final Results of the Administrative Review of the Countervailing Duty Order (CVD) on Certain Cut-to-Length Carbon Steel Plate from Mexico—Calendar Year 1998*, 66 FR 14549 (March 12, 2001) (*1998 Review of CTL Plate*).

In making the ''same person'' determination, where appropriate and applicable, we analyze factors such as (1) continuity of general business operations, including whether the successor holds itself out as the continuation of the previous enterprise, as may be indicated, for example, by use of the same name, (2) continuity of production facilities, (3) continuity of assets and liabilities, and (4) retention of personnel. No single factor will necessarily provide a dispositive indication of any change in the entity under analysis. Instead, the Department will generally consider the post-sale entity to be the same person as the pre-sale entity if, based on the totality of the factors considered, we determine that the entity sold in the change-in-ownership transaction can be considered a continuous business entity because it was operated in substantially the same manner before and after the change-in-ownership. *Id.*

In the previous segment of the proceeding, we found that the privatized AHMSA was essentially the same person as that which existed prior to the privatization as a separately-incorporated, GOM-owned steel producer of the same name. As a result of our analysis, we found the subsidies received by the pre-privatized AHMSA to be countervailable. *See* the ''Application of Methodology'' section of the Decision Memorandum that accompanied the *1998 Review of CTL Plate.* No new information or evidence of changed circumstances has been submitted requiring us to reconsider our finding in this segment of the proceeding (*i.e.*, calendar year 2001). Therefore, for purposes of these preliminary results, we continue to find that the privatized AHMSA is essentially the same person as that which existed prior to the privatization. We further preliminarily determine that allocable subsidies bestowed prior to AHMSA's privatization continue to benefit AHMSA, to the extent that the benefit stream extends into the POR of this segment of the proceeding.[3]

Inflation Methodology

In the underlying investigation, we determined, based on information from the GOM, that Mexico experienced significant inflation from 1983 through 1988. *See Final Affirmative Countervailing Duty Determination: Certain Steel Products from Mexico,* 58 FR 37352 at 37355 (July 9, 1993) (*CTL Plate Investigation*). In accordance with past practice, because we found significant inflation in Mexico and because AHMSA adjusted for inflation in its financial statements, we made adjustments, where necessary, to

[2] We note that, at AHMSA's request, we extended the due date of the June 3, 2003, questionnaire by 10 days. *See* the Department's June 10, 2003, letter to AHMSA on, ''Extension Request on Behalf of Altos Hornos de Mexico, S.A. de C.V.''

[3] On June 23, 2003, the Department published a notice that our practice regarding the ''same person test'' would be modified. *See Notice of Final Modification of Agency Practice Under Section 123 of the Uruguay Round Agreements Act*, 68 FR 37125. In that notice, we announced the prospective application of a new privatization methodology that would supercede the ''same person test.'' We further stated that the new methodology would only apply to segments of proceedings initiated on or after June 30, 2003.

account for inflation in the benefit calculations.

Because Mexico experienced significant inflation during only a portion of the 15-year allocation period, indexing for the entire period or converting the non-recurring benefits into U.S. dollars at the time of receipt (*i.e.*, dollarization) for use in our calculations would have inflated certain allocable benefits by adjusting for inflationary as well as non-inflationary periods. Thus, in the underlying investigation, we used a loan-based methodology to reflect the effects of intermittent high inflation. *See CTL Plate Investigation*, 58 FR at 37355. The methodology we used in the underlying investigation assumed that, in the absence of a government equity infusion/grant, a company would have needed a 15-year loan that would be rolled over each year at the prevailing nominal interest rates, which for purposes of our calculations are the interest rates based on Costo Porcentual Promedio (CPP) discussed in the ''Calculation of Discount Rate and Creditworthiness'' section of this notice. The benefit in each year of the 15-year period would be equal to the principal plus the interest payments associated with the loan at the nominal interest rate prevailing in that year.

Because we assumed that an infusion/grant given was equivalent to a 15-year loan at the current rate in the first year, a 14-year loan at current rates in the second year and so on, the benefit after the 15-year period would be zero, as it would be under the Department's grant amortization methodology. Because nominal interest rates were used, the effects of inflation were already incorporated into the benefit. This methodology was upheld in *British Steel plc* v. *United States*, 127 F.3d 1471 (Fed. Cir. 1997) (*British Steel III*).

In *Certain Cut-to-Length Carbon Steel Plate from Mexico: Final Results of Countervailing Duty Administrative Review*, 65 FR 13368 (March 13, 2000) (*1997 Review of CTL Plate*), we analyzed information provided by the GOM and found that Mexico, again, experienced significant, intermittent inflation during the period 1991 through 1997. *See* the ''Inflation Methodology'' section of the Decision Memorandum for the *1997 Review of CTL Plate*. In addition, during the 1997 review of CTL Plate, we learned at verification that AHMSA had continued its practice of accounting for inflation in its financial statements. *Id.* Thus, in the *1997 Review of CTL Plate*, we used the benefit calculation methodology from the *CTL Plate Investigation*, described above, for all non-recurring, peso-denominated grants received since the POI. *Id.*

No new information or evidence of changed circumstances has been presented thus far in this review to warrant reconsideration of these findings. Thus, for the purposes of these preliminary results, we have continued to use the benefit calculation methodology from the *CTL Plate Investigation* for all non-recurring, peso-denominated grants received through 1997.[4]

Calculation of Discount Rate and Creditworthiness

In these preliminary results, for those years in which AHMSA received non-recurring grants and equity infusions, we used as our long-term benchmark discount rate the CPP, which is the average cost of funds for banks in Mexico.[5] We note that we converted the CPP rate into a discount rate using the formula that has been used in past Mexican cases.[6] We further note that, for those years in which there were grants and equity infusions and for which the Department had calculated a benchmark interest rate in a prior case, we used the rates calculated in those cases.

As discussed in the ''Background'' section of this preliminary results notice, we initiated an investigation to determine whether AHMSA was creditworthy during calendar year 2000. As discussed in the ''Facts Available'' section of this notice, we have made our determination of AHMSA's uncreditworthiness using primary source information from AHMSA that was submitted onto the record of this review prior to our initiation of this inquiry. Upon review of the financial information for AHMSA that is available on the record of this review, we preliminarily find that AHMSA was uncreditworthy during calendar year 2000. For further discussion, see the *Creditworthiness Memorandum*. Thus, for year 2000, we constructed a discount rate for uncreditworthy companies using the methodology described in 19 CFR 351.505(a)(3)(iii).

[4] We note that AHMSA has received no non-recurring, peso-denominated grants since 1997.

[5] This is the same discount rate that was used in the previous segment of this proceeding. *See, e.g.,* the Calculation Memorandum for the *Final Results of Administrative Review of the Countervailing Duty Order on Certain Cut-to-Length Carbon Steel Plate from Mexico,* which was included as Exhibit 11 of AHMSA's November 25, 2002, questionnaire response.

[6] *Id.*

Analysis of Programs

I. Programs Preliminarily Determined To Confer Subsidies

A. GOM Equity Infusions

In the underlying investigation, we determined that the GOM made equity infusions into AHMSA during the years 1987, 1990 and 1991.[7] See *CTL Plate Investigation*, 58 FR at 37356. Shares of common stock were issued for all of these infusions. The GOM made these equity infusions annually as part of its budgetary process, in accordance with the Federal Law on State Companies. At the time of these infusions, AHMSA was almost entirely a government-owned company.

In the underlying investigation, we found AHMSA to be unequityworthy during the years 1987, and in 1990 and 1991. *See CTL Plate Investigation* 58 FR at 37356. Accordingly, we determined that the equity infusions by the GOM into AHMSA in these years were countervailable. In the 1998 review of CTL Plate, we continued to find this program countervailable. *See* the ''Programs Conferring Subsidies'' section of the Decision Memorandum that accompanied the *1998 Review of CTL Plate*. No new information or evidence of changed circumstances has been presented in this review to warrant reconsideration of these findings. As a result, for purposes of these preliminary results, we continue to find that these equity infusions conferred a benefit and constituted a government financial contribution under sections 771(5)(E)(i) and 771(5)(D)(i) of the Act, respectively. In addition, we continue to find that the equity infusions were specific to a single enterprise within the meaning of section 771(5A)(D)(iii)(I) of the Act.

To calculate the countervailable benefit in the POR, we used the grant allocation methodology for intermittent, significant inflation described above. We then divided the benefit attributable to the POR by the total consolidated sales of AHMSA during the POR. On this basis, we preliminarily determine the net subsidy for this program to be 0.96 percent *ad valorem* for AHMSA.

B. IMIS Research and Development Grants

The Instituto Mexicano de Investigaciones Siderurgicas (IMIS), or the Mexican Institute of Steel Research, was a government-owned research and development organization that performed independent and joint

[7] AHMSA received counteravailable equity infusions in previous years. However, these equity infusions were fully allocated prior to the 2001 POR.

venture research with the iron and steel industry.

In the underlying investigation, the Department found that IMIS's activities with AHMSA fell into two categories: joint venture activities and non-joint venture activities. *See CTL Plate Investigation*, 58 FR at 37359. We determined that IMIS's non-joint venture activities with AHMSA were not countervailable. However, the Department determined that joint venture activities were countervailable, and we treated IMIS's contributions to joint venture activities as non-recurring grants. *Id.* We used the same approach in the 1998 review of CTL Plate. AHMSA received grants under this program during the years 1987 through 1991.[8] No new information or evidence of changed circumstances has been presented thus far in this review to warrant reconsideration of these findings. As a result, for purposes of these preliminary results, we continue to find that the IMIS grants conferred a benefit and constituted a government financial contribution under sections 771(5)(E) and 771(5)(D)(i) of the Act, respectively. In addition, we continue to find that the IMIS grants were specific to the steel industry under section 771(5A)(D)(i) of the Act.

To calculate the countervailable benefit in the POR, we used the grant allocation methodology for intermittent, significant inflation described above. We then divided the benefit attributable to the POR by the total consolidated sales of AHMSA during the same period. On this basis, we preliminarily determine the net subsidy for this program to be 0.04 percent *ad valorem* for AHMSA.

C. Lay-Off Financing From the GOM

During the verification of the underlying investigation, the Department discovered that the GOM had loaned AHMSA money to cover the cost of personnel lay-offs which the GOM felt were necessary to make AHMSA more attractive to potential purchasers. This loan was made prior to AHMSA's privatization in 1991. The Department also learned that this loan did not accrue interest after September 30, 1991. Further, the Department learned that the GOM was allowing the privatized AHMSA to repay this loan with the transfer of AHMSA assets back to the GOM. The assets AHMSA was using to repay the loan were assets which the Grupo Acero del Norte (GAN), the purchaser of AHMSA, had not wished to purchase but which the GOM included in the sale package. *See CTL Plate Investigation*, 58 FR at 37360. These assets were characterized as ''unnecessary assets'' or assets not necessary to the production of steel.

Because the information about this financing and its repayment came to light only at verification of the questionnaire responses submitted during the investigation, we were unable to determine whether this loan relieved AHMSA of an obligation it would otherwise have borne with respect to the laid-off workers. Thus, in the underlying investigation, we calculated the benefit by treating the financing as an interest-free loan. *See CTL Plate Investigation*, 58 FR at 37361.

In the review covering calendar year 1997, AHMSA claimed that it had extinguished its lay-off financing debt with the transfer of the ''unnecessary assets.'' *See 1997 Review of CTL Plate. See also, Certain Cut-to-Length Carbon Steel Plate from Mexico: Preliminary Results of Countervailing Duty Administrative Review*, 64 FR 48796, 48801 (September 8, 1999) (*Preliminary Results of 1997 Review of CTL Plate*). In that review, we noted that the record of the investigation indicated that these assets were included by the GOM in the sale of AHMSA despite the fact that GAN, the purchaser of AHMSA, indicated that it did not wish to purchase those assets, and GAN's bid for AHMSA did not include any funds for those assets. *See Preliminary Results of 1997 Review of CTL Plate*, 64 FR at 48799. In the 1997 review of CTL Plate, we further noted that the record from the investigation indicated that the value of those assets was frozen in November 1991, and that, as of that date, the assets were neither depreciated nor revalued for inflation, both of which are standard accounting practices in Mexico. *See id.* 64 FR at 48801.

Although, in the 1997 review of CTL Plate, we noted that a loan that provides countervailable benefits normally ceases to do so once it has been fully repaid, we determined that the benefit to AHMSA with respect to the lay-off financing was essentially in the form of a grant. Specifically, in that review, we determined that AHMSA had repaid the loan with the transfer of assets which AHMSA's purchasers did not wish to purchase and for which they did not pay. *See Preliminary Results of 1997 Review of CTL Plate*, 64 FR 48801. Thus, in the review covering calendar year 1997, we determined that the GOM's acceptance of these ''unnecessary assets'' to repay this loan, assets which were effectively given to AHMSA free of charge, constituted debt forgiveness of this loan. Accordingly, we determined that the entire amount of the pre-privatization lay-off financing was a non-recurring grant within the meaning of section 771(5)(E) of the Act that was received in 1994, the time at which the pre-privatization loan was forgiven. We further found that this program constituted a government financial contribution and was specific to a single enterprise within the meaning of sections 771(5)(D)(ii) and 771(5A)((D)(iii)(I) of the Act, respectively. We continued to apply this approach in the 1998 review of CTL Plate. No new information or evidence of changed circumstances was presented in this review to warrant any reconsideration of these findings. Thus, for the purposes of these preliminary results, we continue to find that the entire amount of the pre-privatization lay-off financing constituted a non-recurring grant received in 1994, the point at which the loan was forgiven.

To calculate the countervailable benefit in this review, we used the grant allocation methodology for intermittent, significant inflation described above. We then divided the benefit from the pre-privatization lay-off financing attributable to the POR by the total consolidated sales of AHMSA during the same period. On this basis, we preliminarily determine the net subsidy for this program to be 0.52 percent *ad valorem* for AHMSA.

D. GAN's Committed Investment Into AHMSA

As noted above in the ''Change-in-Ownership'' section, the GOM sold AHMSA to GAN in 1991. To sell the company, the GOM established a bid structure in which bids could be divided into two parts: A cash component and a committed investment component. Under these bidding rules, a potential purchaser of AHMSA could, in lieu of a cash payment to the GOM, agree to make future investments into AHMSA. GAN, the eventual purchaser of AHMSA, made a bid for the company which consisted of a cash payment to the GOM as well as a promise to invest a certain amount into AHMSA in the future. Another bid by a third party, which had a higher cash component, was rejected by the GOM in favor of GAN's bid.

In the 1998 review of CTL Plate, we found that, because the transaction in question involved only the sale of AHMSA, the actions of the GOM were specific to a single enterprise within the meaning of section 771(5A)(D)(iii)(I) of the Act. *See* the ''Committed Investment'' section of the Decision Memorandum that accompanied the

[8] AHMSA also received a grant under this program 1986. However, this grant was fully expensed prior to the 2001 POR.

1998 Review of CTL Plate. We further found that the record reflected that the GOM, in accepting GAN's bid, considered one-half of GAN's committed investment to be equivalent to the payment of cash. Therefore, we used this amount as a proxy for the amount of revenue foregone by the GOM in its sale of AHMSA, within the meaning of section 771(5)(D)(ii) of the Act. *Id.* No new information or evidence of changed circumstances has been presented thus far in this review to warrant any reconsideration of these findings. Therefore, for purposes of these preliminary results, we continue to find that GAN's committed investment into AHMSA was specific and constituted a government financial contribution within the meaning of the Act. Furthermore, we continue to find that this program conferred a benefit under section 771(5)(E) of the Act.

Accordingly, we have treated this benefit as a non-recurring grant in the amount of the revenue foregone and allocated it over time using our standard grant formula.[9] We then converted the benefit attributable to the POR into pesos using the average annual peso/U.S. dollar exchange rate for the POR. Finally, we divided the resulting peso-denominated benefit amount by AHMSA's total consolidated sales during the POR. On this basis, we determine the net countervailable subsidy to be 2.21 percent *ad valorem.*

E. 1988 and 1990 Debt Restructuring of AHMSA Debt and the Resulting Discounted Prepayment in 1996 of AHMSA's Restructured Debt Owed to the GOM

In 1987, the GOM negotiated agreements with foreign creditors to restructure the debt of AHMSA. The GOM again negotiated on behalf of AHMSA debt restructuring agreements in 1988 and 1990. Under these agreements, the GOM purchased AHMSA's debts, which were denominated in several foreign currencies, from AHMSA's foreign creditors in exchange for GOM debt. The GOM thereby became the creditor for loans included in these agreements.

In the underlying investigation, the GOM claimed that AHMSA's principal repayment obligations remained the same after the debt restructuring. However, in that investigation, we could not confirm during verification that AHMSA's principal obligations on its debt had not been forgiven in the 1988 and 1990 debt restructuring agreements. Thus, based upon the facts available to the Department at the time of the investigation, we assumed that the principal had been forgiven and that this had been reflected in the amount of the discount the GOM had received when purchasing the debt from AHMSA's foreign creditors. Accordingly, we treated the forgiven principal as a non-recurring grant.

In the 1997 review of CTL Plate, AHMSA claimed that, in June 1996, it had repaid its restructured debt in the form of a discounted prepayment to the GOM, thereby extinguishing its financial obligations to the GOM. During verification of the questionnaire response submitted during that administrative review, we learned that, in order to determine the amount of the discounted prepayment that AHMSA was to make in June of 1996, the company and the GOM had created amortization tables for each of the foreign currency loans. Next, they had converted these payment streams into U.S. dollars and calculated the net present value for each payment stream. They had then summed the U.S. dollar denominated net present values to derive the amount of the discounted prepayment to be made in U.S. dollars.

In the 1997 review of CTL Plate, we determined that AHMSA's discounted prepayment of its 1988 and 1990 restructured debts constituted a countervailable benefit, in the form of debt forgiveness, because AHMSA's discounted prepayment had resulted in a reduction of the amount of principal owed by AHMSA on this debt. *See Preliminary Results of 1997 Review of CTL Plate*, 64 FR at 48799. On this basis, we determined in the 1997 review of CTL Plate that the difference between the principal outstanding on AHMSA's restructured debt and the amount of its discounted prepayment constituted debt forgiveness on the part of the GOM and, therefore, conferred a benefit and constituted a government financial contribution within the meaning of sections 771(5)(E) and 771(5)(D)(ii) of the Act, respectively. In addition, we determined that the benefit was conferred in 1996, the year in which the debt forgiveness took place. *See id.* Because the debt forgiveness was made to a single enterprise, we determined in the 1997 review of CTL Plate that it was specific within the meaning of section 771(5A)(D)(iii)(I) of the Act. We continued this approach in the 1998 review of CTL Plate. No new information or evidence of changed circumstances has been presented thus far in this review to warrant any reconsideration of these findings. Thus, for purposes of these preliminary results, we continue to find that the debt forgiveness under this program is a countervailable, non-recurring grant.

Because the principal forgiven was denominated in U.S. dollars and, thus, was unaffected by Mexico's intermittent significant inflation, we used the Department's standard non-recurring grant methodology to allocate the benefit to the POR. See 19 CFR 351.509. We used as our discount rate the weighted-average of AHMSA's fixed-rate, U.S. dollar loans that were received during the year of receipt when the debt forgiveness took place. We then converted the U.S. dollar denominated benefit into pesos using the average annual peso/U.S. dollar exchange rate for the POR. Finally, we divided the benefit attributable to the POR by AHMSA's total consolidated sales during the same period. On this basis, we preliminarily determine the net subsidy for this program to be 0.52 percent *ad valorem* for AHMSA.

F. Immediate Deduction Program

Under Article 51 of Mexico's tax law, companies may opt to take an immediate deduction on fixed assets purchased during the tax year, as opposed to taking regular straight line depreciation. The rates of depreciation under the immediate deduction vary according to industry. The Immediate Deduction program was established in 1987 and was subject to ongoing reforms until it was repealed in 1998. The program was subsequently reinstated in 2002. *See* the ''Immediate Deduction'' section of the GOM Verification Report. Tax credits earned under the Immediate Deduction program can be carried-forward for a period of 10 years. *Id.* Pursuant to this carry forward provision, AHMSA was able to apply tax credits, earned prior to and during 1998, to tax year 2000 even though the program was not active during the POR.

The immediate deduction mechanism was available only for certain fixed assets that had not been previously used in Mexico. The immediate deduction was not available for pre-operation expenses or for deferred expenses and costs. The GOM's stated purpose for the immediate deduction program was to promote investment by allowing companies to take an accelerated or immediate deduction set to an industry-specific rate, rather than using the standard straight-line depreciation method. GOM officials confirmed during verification that the immediate deduction option only applied to property used permanently within Mexico but outside the metropolitan areas of Mexico City, Guadalajara, and

[9] The benefit amount under this program was denominated in U.S. dollars. Therefore, it was not necessary to use the intermittent inflation methodology discussed above.

Monterrey. *See* the ''Immediate Deduction'' section of the GOM Verification Report. With respect to small firms (*i.e.*, firms with a gross income of 7 million pesos or less), the location restriction did not apply.[10] An immediate deduction could be taken, at the election of the taxpayer, in the tax year in which the investments in qualifying fixed assets were made, in the year in which these assets were first used, or in the following year. No prior approval by the GOM was required to use the immediate deduction option.

In past reviews, our examination of this program was limited to whether AHMSA used tax credits earned under the Immediate Deduction program to reduce its income tax liability. *See, e.g.*, the ''Immediate Deduction'' section of the Decision Memorandum that accompanied the *1998 Review of CTL Plate.* However, based on record evidence collected during this segment of the proceeding, we are preliminary revising this approach. Under Article 23 of the Mexican tax law, the GOM imposes an alternative minimum tax. Pursuant to this provision, companies are required to pay the lesser of either the income tax or the asset tax. The asset tax is equal to 1.8 percent of the value of a company's assets. During the POR, AHMSA was in a tax loss position. Therefore, it did not have any taxable income. However, pursuant to Article 23 of the Mexican tax law, it was liable for an asset tax equal to 1.8 percent of the value of its assets. Therefore, we are investigating the extent to which AHMSA may have used this program to reduce its asset tax burden.

In previous segments of this proceeding, we have found the Immediate Deduction program specific to a region, pursuant to section 771(5A)(D)(iv) of the Act. We have further found that the program constituted a financial contribution, to the extent that the GOM is not collecting tax revenue that is otherwise due, and that it conferred a benefit under sections 771(5)(D)(ii) and 771(5)(E) of the Act, respectively. *See, e.g.*, the ''Immediate Deduction'' section of the Decision Memorandum that accompanied the *1998 Review of CTL Plate.* No new information or evidence of changed circumstances has been presented in this review to warrant reconsideration of these findings. Thus, for purposes of these preliminary results, we continue to find this program countervailable.

In accordance with 19 CFR 351.509, we have calculated the benefit under this program by determining the amount of asset tax that AHMSA would have paid, absent the program, in the tax return it filed during the POR. We note that the amount of asset tax that AHMSA would have paid absent the program was clearly indicated on the tax return that AHMSA filed during the POR. *See* Exhibit 1 of AHMSA's July 8, 2003, supplemental questionnaire response. We then divided the benefit by AHMSA's total consolidated sales. On this basis, we preliminarily determine the net subsidy to be 2.57 percent *ad valorem* for AHMSA.

G. Bancomext Export Loans

The Banco Nacional de Comercio Exterior, S.N.C. (Bancomext), also known as the National Bank of Foreign Trade, is a state-owned lending institution that offers financing to producers or trading companies engaged in export activities. Specifically, these U.S. dollar-denominated loans provide financing for working capital (pre-export loans), and export sales (export loans).

During the POR, AHMSA made interest payments on a Bancomext loan that it originally received from the Government bank in 1995. However, the terms of the loan were renegotiated in May of 2000 following AHMSA's entrance into an interest payment suspension. AHMSA had no other loans outstanding with Bancomext as of the end of 2001, the POR. As discussed in further detail below, this Bancomext loan was the only loan that was not covered by the interest payment suspension and, thus, was the only loan on which AHMSA paid interest during the POR.

In the underlying investigation, we determined that, because the loans issued by Bancomext are available only to exporters, this program is specific within the meaning of section 771(5A)(B) of the Act. We further found that loans under this program conferred a benefit and constituted a government financial contribution under sections 771(5)(E)(ii) and 771(5)(D)(i) of the Act, respectively, to the extent that they are provided at rates below those prevailing on comparable commercial loans. *See CTL Plate Investigation,* 58 FR at 37357. We used the same approach in the previous segment of this proceeding. *See* the ''Bancomext Export Loans'' section of the Decision Memorandum that accompanied the *1998 Review of CTL Plate.* No new information or evidence of changed circumstances has been presented in this review to warrant reconsideration of these findings. Therefore, for purposes of these preliminary results, we continue to find that lending under this program constitutes a countervailable export subsidy.

As explained in the *Creditworthiness Memorandum,* on May 25, 1999, AHMSA entered into a court-sanctioned suspension of payments program. Under the suspension of payments program, all payments on AHMSA's commercial debt (*i.e.*, non-government debt) were suspended from May 1999 through 2001, a period which includes the POR. However, during the POR, AHMSA made payments on its outstanding Bancomext loan, pursuant to a May 2, 2000 agreement established between Bancomext and AHMSA. Under this agreement, the terms of AHMSA's Bancomext loan were renegotiated. In particular, the two parties changed the repayment schedule, interest rates, and penalty payment terms. See, *e.g.*, Exhibit 13 of AHMSA's November 25, 2002 questionnaire response.[11]

As stated above, while the Bancomext loan was originally issued in 1995, the terms of the loan were renegotiated in 2000. Thus, in keeping with the Department's practice, we find that, for purposes of these preliminary results, May 2000 was the effective issuance date of the Bancomext loan. *See e.g., Final Affirmative Countervailing Duty Determination: Certain Stainless Steel Wire Rod From Italy,* 63 FR 40474, 40477 (July 29, 1998). As explained in the *Creditworthiness Memorandum,* we have preliminarily determined that AHMSA could not have obtained long-term loans from conventional commercial sources in 2000. Accordingly, in deriving the benchmark interest rate (*e.g.*, a rate that would have been established in 2000 and remained applicable during the POR) we have used the benchmark methodology for uncreditworthy companies outlined in 19 CFR 351.505(a)(3)(iii).

To determine the benefit conferred under the Bancomext export loan program, we compared the interest rate charged on these loans during the POR to the uncreditworthy benchmark interest rate discussed above. As the interest amounts AHMSA paid in the 2001 POR were less than what AHMSA would have paid on a comparable commercial loan, as indicated by our benchmark interest rate, we preliminarily determine that this program conferred a countervailable benefit upon AHMSA in accordance with section 771(5)(E)(ii) of the Act.

[10] We note that the small firm classification does not apply to AHMSA.

[11] Bankcomext officials were able to secure payment from AHMSA, pursuant to the terms of the amended loan agreement. We note that the details of the amended loan agreement are business propertary, see the ''Bancomet'' section of the GOM Verification Report.

We note that AHMSA was unable to make timely interest payments on several occasions during the 2001 POR, and, pursuant to the terms of its loan agreement, was forced to make penalty interest payments. During verification, we confirmed that the penalty interest rate established under the terms of the renegotiation was 25 percent lower than that established under the original terms of the Bancomext loans. During verification, we asked Bancomext officials why, in the midst of AHMSA's financial difficulties, they decided to lower the penalty interest rate that they charged AHMSA for late interest payments. Bancomext officials explained that the revised moratorium interest rate was the rate that was agreed to between the two parties during the renegotiation process.

For purposes of these preliminary results, we find that, given that AHMSA defaulted on its commercial debt in 1999, its uncreditworthy status at the time of the 2000 renegotiation process, and its history of failing to adhere to its contractual obligations with Bancomext, the terms of the renegotiated Bancomext loans did not reflect the amount of penalty interest that AHMSA would have paid on a comparable commercial loan.[12]

We attempted to obtain information from AHMSA and the GOM regarding penalty interest rates charged in Mexico during 2000. AHMSA explained that, while it was late on several loans prior to 2000, it did not make any penalty interest payments to commercial institutions immediately prior to or during the 2001 POR. *See* page 11 of AHMSA's May 22, 2003, supplemental questionnaire response. In its supplemental questionnaire response, the GOM stated that it was, ''* * * unable to provide such information * * *'' on the grounds that, ''* * * Mexican bank secrecy laws prohibit the disclosure of company-specific repayment information.'' *See* page 1 of the GOM's May 21, 2003, questionnaire response. During verification, we attempted to meet with a commercial lending institution in Mexico to discuss, among other things, the typical practices of Mexican banks, as they apply to the establishment of penalty interest payments. However, the officials at the commercial lending institution refused to answer our questions. *See* the September 2, 2003, report entitled, ''Meeting with Banking Officials from Banamex,'' a public document on file in room B–099 of the CRU. Thus, in accordance with section 776(a) of the Act, we are using as facts available the penalty interest rate that was established between Bancomext and AHMSA pursuant to the original terms of the 1995 Bancomext loan agreement. *See* Exhibit 4 of AHMSA's July 8, 2003, supplemental questionnaire response.

To determine the benefit attributable to AHMSA's reduced penalty interest payments, we subtracted the amount of penalty interest AHMSA actually paid during the 2001 POR from the amount of penalty interest the company would have paid during the POR pursuant to its initial 1995 loan agreement with Bancomext.

In their December 16, 2003, submission, petitioners alleged that the GOM forgave principal due on the Bancomext loans when AHMSA and Bancomext renegotiated the terms of the Bancomext loans in 2000. In our *New Subsidy Memorandum,* we determined that an examination of petitioners' allegations was warranted. *See* page 8 of the *New Subsidy Memorandum.* During this review, we have issued multiple supplemental questionnaires to AHMSA and the GOM concerning petitioners' allegation that the government forgave a portion of AHMSA's Bancomext debt. In addition, we thoroughly examined this issue during verification. For example, we reviewed source documents that indicated the balance of principal that AHMSA owed on the Bancomext loans before and after the 2000 loan renegotiation. *See* the ''Bancomext Loans'' section of the AHMSA Verification Report. Based on the questionnaire responses submitted by the GOM and AHMSA and on the source documents reviewed during verification, we preliminarily find that no debt was forgiven on AHMSA's Bancomext loans.

Because eligibility under this program is contingent upon exports, we divided the benefit (*i.e.*, the difference between the benchmark interest/penalty payments and AHMSA's actual interest/penalty payments) by AHMSA's total export sales. We note that we have used an unconsolidated export sales figure because the program was contingent on AHMSA's export sale. Because AHMSA's total export sales were denominated in pesos, we converted the benefit AHMSA received under this program to pesos using the peso/U.S. dollar exchange rate that was outstanding on the date of the interest payments. On this basis, we preliminarily determine the net subsidy for this program to be 6.55 percent *ad valorem* for AHMSA.

II. Programs Preliminarily Determined Not to Confer Subsidies

A. Petroleos Mexicanos (PEMEX) Guaranteed Provision of Natural Gas for Less Than Adequate Remuneration

Based on our *New Subsidies Memorandum,* we initiated an investigation into whether PEMEX sold natural gas to AHMSA for less than adequate remuneration during the POR. In particular, we examined a program under which the state-owned PEMEX agreed to provide a certain fixed quantity of natural gas for the price of US$4 per million British Thermal Units (MMBTU) to AHMSA for a period of three years beginning on February 8, 2001. This contract was applicable from January 1, 2001, to December 31, 2003.

During verification, we met with officials from PEMEX and discussed the manner in which the program operated during the POR. In addition, we identified and examined the distribution of companies and industries that used the program during the POR. *See* the ''PEMEX'' section of the GOM Verification Report. During verification, we confirmed that, as the GOM had stated in its questionnaire responses, the program was provided to wide variety of industries and that neither AHMSA nor the Mexican steel industry was singled out or disproportionally represented in terms of usage. Thus, based on the questionnaire responses submitted by the GOM and on information collected during verification, we preliminarily determine that this program is not specific within the meaning of section 771(5A) of the Act and, therefore, is not countervailable.

B. PITEX Duty-Free Imports for Companies That Export

In prior segments of this proceeding, we found that the Programa de Importacion Temporal Para Producir Productos Para Exportar (PITEX), also know as the Program for Temporary Importation to Produce Products for Export, provides countervailable export subsidies to the extent that the program offers duty exemptions on products not consumed in the production of the exported product. In its questionnaire responses, the GOM claimed that this aspect of the program was terminated pursuant to Article 303 of the North American Free Trade Agreement (NAFTA). In particular, the GOM asserted that, after 2001, PITEX no longer offered duty-free exemptions on capital goods and machinery. *See, e.g.*, page II–44 of the GOM's November 25, 2002. During verification, we investigated the GOM's claims regarding

[12] Regarding AHMSA's history of failing to adhere to its contractual obligations with bancomext, see the ''Bancomext Loan'' section of the AHMSA Verification Report.

PITEX. We found no information that contradicted the GOM's claims. *See* the ''PITEX'' section of the GOM Verification Report.

Because this change was implemented after the POR of this review, we reviewed the relevant source documentation of AHMSA and its affiliate Nacional de Acero, S.A (NASA) to confirm that these companies did not use PITEX during the 2001 POR. *See* the ''PITEX (Temporary Import Items)'' section of the AHMSA Verification Report. In particular, we reviewed annual reports that both companies submitted to the Ministry of Economy, the authority that administers PITEX. *Id.* These reports listed all temporary imports made by the AHMSA and NASA during the POR.[13] We noted that AHMSA reported no temporary imports during the POR. *Id.* NASA reported temporary imports; however, a review of its source documents indicated that it did not receive any duty exemptions on items that were not consumed in the production of exported products. *Id.*

Based on the questionnaire responses submitted by the GOM and AHMSA, as well as on information examined during verification, we find that PITEX did not confer a benefit on AHMSA or its affiliate, NASA, during the POR. Furthermore, we preliminarily determine that PITEX, as of 2002, is no longer countervailable because it no longer offers duty exemptions on products not consumed in the production of the exported product.

C. GOM Assumption of AHMSA Debt in 1986

In the previous segment of this proceeding we found this program conferred countervailable subsidies. *See* the ''1986 Assumption of AHMSA's Debt'' section of the Decision Memorandum that accompanied the *1998 Review of CTL Plate* in which we treated the debt forgiveness provided under this program as a non-recurring, allocable grant received in 1986. However, because we have allocated the debt forgiveness under this program using a 15-year AUL, the benefit stream was fully extinguished prior to the POR and, thus, no longer confers countervailable subsidies. Therefore, we preliminarily determine that this program is no longer countervailable.

[13] We note that, in prior segments of this review, usage of PITEX has corresponded to those items that fall under the temporary imports category.

III. Program Preliminarily Determined Not To Exist

A. NAFIN/Coahuila State Government Supplier Relief

In our *New Subsidies Memorandum*, we initiated an investigation into whether the state-run Nacional Financiera (NAFIN) and the Coahuila State Government (CGS) developed a rescue scheme in 1999 to address the lack of payment of AHMSA's debts to local suppliers. During verification, we thoroughly examined AHMSA's accounts payable, as well as other accounting documents related to its suppliers. During our review of these document, we found no evidence that AHMSA received any of the alleged benefits or that this alleged program exists. See the ''NAFIN/Coahuila State Government Supplier Relief'' section of the AHMSA Verification Report. Further, the GOM claimed that this program does not exist. Therefore, for purposes of these preliminary results, we find that this program does not exist.

IV. Programs Preliminarily Determined To Be Not Used

Based on information reviewed during verification, we preliminarily determine that the following programs were not used during the POR:

1. FONEI Long-Term Financing.
2. Export Financing Restructuring.
3. Bancomext Trade Promotion Services and Technical Support.
4. Empresas de Comercio Exterior or Foreign Trade Companies Program.
5. Article 15 & 94 Loans.
6. NAFIN Long-Term Loans.

Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(I), we calculated an individual subsidy rate for the producer/exporter subject to this administrative review. For the period January 1, 2001, through December 31, 2001, we preliminarily determine the net subsidy for AHMSA to be 13.37 percent ad valorem. If the final results of this review remain the same as these preliminary results, the Department intends to instruct the BCBP to assess countervailing duties for AHMSA at 13.37 percent ad valorem of the f.o.b. invoice price on all shipments of the subject merchandise from AHMSA, entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review.

Because the Uruguay Round Agreements Act (URAA) replaced the general rule in favor of a country-wide rate with a general rule in favor of individual rates for investigated and reviewed companies, the procedures for establishing countervailing duty rates, including those for non-reviewed companies, are now essentially the same as those in antidumping cases, except as provided for in section 777A(e)(2)(B) of the Act. A requested review will normally cover only those companies specifically named. *See* 19 CFR 351.213(b). Pursuant to 19 CFR 351.212(c), for all companies for which a review was not requested, duties must be assessed at the cash deposit rate, and cash deposits must continue to be collected, at the rate previously ordered. As such, the countervailing duty cash deposit rate applicable to a company can no longer change, except pursuant to a request for a review of that company. *See Federal-Mogul Corporation and The Torrington Company* v. *United States*, 822 F. Supp. 782 (CIT 1993) and *Floral Trade Council* v. *United States*, 822 F. Supp. 766 (CIT 1993) (interpreting 19 CFR 353.22(e), the pre-URAA antidumping regulation on automatic assessment, which was identical to 19 CFR 355.22(g)). Therefore, the cash deposit rates for all companies except those covered by this review will be unchanged by the results of this review.

We will instruct the BCBP to continue to collect cash deposits for non-reviewed companies at the most recent company-specific or country-wide rate applicable to the company. Accordingly, the cash deposit rates that will be applied to non-reviewed companies covered by this order are those established in the most recently completed administrative proceeding conducted under the URAA. If such a review has not been conducted, the rate established in the most recently completed administrative proceeding pursuant to the statutory provisions that were in effect prior to the URAA amendments is applicable. *See* CTL Plate Investigation, 58 FR 37352. These rates shall apply to all non-reviewed companies until a review of a company assigned these rates is requested. In addition, for the period January 1, 2001, through December 31, 2001, the assessment rates applicable to all non-reviewed companies covered by this order are the cash deposit rates in effect at the time of entry.

Public Comment

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within five days after the date of the public announcement of this notice. Pursuant to 19 CFR 351.309, interested parties

may submit written comments in response to these preliminary results. Unless otherwise indicated by the Department, case briefs must be submitted within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, must be submitted no later than five days after the time limit for filing case briefs, unless otherwise specified by the Department. Parties who submit argument in this proceeding are requested to submit with the argument: (1) A statement of the issue, and (2) a brief summary of the argument. Parties submitting case and/or rebuttal briefs are requested to provide the Department copies of the public version on disk. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f). Also, pursuant to 19 CFR 351.310, within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments to be raised in the case and rebuttal briefs. Unless the Secretary specifies otherwise, the hearing, if requested, will be held two days after the date for submission of rebuttal briefs, that is, thirty-seven days after the date of publication of these preliminary results.

Representatives of parties to the proceeding may request disclosure of proprietary information under administrative protective order no later than 10 days after the representative's client or employer becomes a party to the proceeding, but in no event later than the date the case briefs, under 19 CFR 351.309(c)(ii), are due. The Department will publish the final results of this administrative review, including the results of its analysis of arguments made in any case or rebuttal briefs.

This administrative review is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act (19 U.S.C. 1675(a)(1) and 19 U.S.C. 1677f(i)(1)).

Dated: September 2, 2003.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 03–22787 Filed 9–5–03; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Availability of Seats for the Gray's Reef National Marine Sanctuary Advisory Council

AGENCY: National Marine Sanctuary Program (NMSP), National Ocean Service (NOS), National Oceanic and Atmospheric Administration, Department of Commerce (DOC).

ACTION: Notice and request for applications.

SUMMARY: The Gray's Reef National Marine Sanctuary (GRNMS or Sanctuary) is seeking applicants for the following vacant seats on its Sanctuary Advisory Council (Council): Local Conservation, University Education, and Living Resources Research.

Applicants are chosen based upon their particular expertise and experience in relation to the seat for which they are applying; community and professional affiliations; philosophy regarding the protection and management of marine resources; and possibly the length of residence in the area affected by the Sanctuary. Applicants who are chosen as members should expect to serve three-year terms, pursuant to the Council's Charter.

DATES: Applications are due by September 30, 2003.

ADDRESSES: Application information may be obtained from Becky Shortland, Council Coordinator, Gray's Reef National Marine Sanctuary, 10 Ocean Science Circle, Savannah, GA 31411; telephone 912/598–2345; *becky.shortland@noaa.gov.* Applications should be sent to Reed Bohne, Manager, Gray's Reef National Marine Sanctuary (same address).

FOR FURTHER INFORMATION CONTACT: Contact Becky Shortland, Council Coordinator, 10 Ocean Science Circle, Savannah, GA 31410; telephone 912/598–2345; *becky.shortland@noaa.gov.*

SUPPLEMENTARY INFORMATION: The Sanctuary Advisory Council was established in August 1999 to provide advice and recommendations on management and protection of the Sanctuary. The Council, through its members, also serves as liaison to the community regarding Sanctuary issues and represents community interests, concerns, and management needs to the Sanctuary and NOAA (National Oceanic and Atmospheric Administration, U.S. Department of Commerce). Gray's Reef NMS is one of the largest near shore live-bottom reefs off the Southeastern United States, encompassing approximately 17 square nautical miles. The area earned sanctuary designation in 1981.

Authority: 16 U.S.C. Sections 1431, *et seq.*

(Federal Domestic Assistance Catalog Number 11.429 Marine Sanctuary Program)

Dated: August 29, 2003.

Richard W. Spinrad,

Assistant Administrator, Ocean Services and Coastal Zone Management, National Oceanic and Atmospheric Administration.

[FR Doc. 03–22697 Filed 9–5–03; 8:45 am]

BILLING CODE 3510–NK–M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Call for Applications for a Representative to the Northwestern Hawaiian Islands Coral Reef Ecosystem Reserve Advisory Council for the Northwestern Hawaiian Islands Coral Reef Ecosystem Reserve

AGENCY: National Marine Sanctuary Program (NMSP), National Ocean Service (NOS), National Oceanic and Atmospheric Administration (NOAA), Department of Commerce (DOC).

ACTION: Notice and request for applications.

SUMMARY: The Northwestern Hawaiian Islands Coral Reef Ecosystem Reserve is seeking applicants for the following vacant primary seat on its Reserve Advisory Council (Council): (1) Native Hawaiian. Council Representatives are chosen based upon their particular expertise and experience in relation to the seat for which they are applying; community and professional affiliations; philosophy regarding the protection and management of marine resources; and possibly the length of residence in the State of Hawaii. The applicant who is chosen as the Representative should expect to serve the remainder of this seat's term which is due to expire in February 2004. Existing members may re-apply for future vacancies.

DATES: Completed applications must be received no later than September 19, 2003.

ADDRESSES: Applications may be obtained from Moani Pai, 6700 Kalanianaole Highway, Suite 215, Honolulu, Hawaii 96825, (808) 397–2661 or online at *http://hawaiireef.noaa.gov.* Completed applications should be sent to the same address.

FOR FURTHER INFORMATION CONTACT: Aulani Wilhelm, 6700 Kalanianaole Highway, Suite 215, Honolulu, Hawaii