

regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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

Dated: May 31, 2002

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02-14375 Filed 6-6-02; 8:45 am]

BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

Announcement of New Members for the Performance Review Board

AGENCY: International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: Announcement of new members for the Performance Review Board.

FOR FURTHER INFORMATION CONTACT: LaVerne H. Hawkins, Department of Commerce, Office of Human Resources, Room 7412, Washington, DC 20230.

SUPPLEMENTARY INFORMATION: This notice announces new appointments by the Under Secretary for International Trade, Grant Aldonas, of the ITA Performance Review Board. This is a revised list of new members and the appointment of previous board members as listed in the June 8, 2000, **Federal Register** (65 FR 36411). The appointments are for a period of 2 years. The purpose of the International Trade Administration's Performance Review Board is to review and make recommendations to the Appointing Authority on performance management issues such as appraisals, bonuses, ES-level Increases and Presidential Rank Awards for members of the Senior Executive Service.

The Performance Review Board members are:

- Eleanor Roberts Lewis, Chief Counsel for International Trade, Non-ITA Career Member
- Stephen Jacobs, Deputy Assistant Secretary for Agreements Compliance, Market Access & Compliance, Career
- Linda Moye Cheatham, Chief Financial Officer and Director of

Administration, Office of the Deputy Under Secretary, Career
 Barbara Tillman, Senior Director, Import Administration, Career
 Jonathan C. Menes, Executive Director, Trade Development, Career
 Nealton J. Burnham, Deputy Assistant Secretary for Export Promotion Services, U.S. and Foreign Commercial Service, Non-Career
 Kevin W. Murphy, Deputy Assistant Secretary for Basic Industries, Trade Development, Non-Career
 LaVerne H. Hawkins, Office of Human Resources Management, 202-482-2537, Executive Secretary

Dated: May 29, 2002.

Darlene Haywood,

Acting Human Resources Manager, ITA.

[FR Doc. 02-14372 Filed 6-6-02; 8:45 am]

BILLING CODE 3510-25-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-475-821]

Stainless Steel Wire Rod from Italy: Notice of 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.

EFFECTIVE DATE: June 7, 2002.

FOR FURTHER INFORMATION CONTACT: Carrie Farley at (202) 482-0395 and Eric Greynolds at (202) 482-6071, Office of AD/CVD Enforcement VI, Import Administration, U.S. Department of Commerce, Room 4012, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

Preliminary Results: The Department of Commerce (the Department) preliminarily determines that countervailable subsidies are being provided to certain producers and exporters of stainless steel wire rod products (subject merchandise) from Italy. The benefit provided by these subsidies are preliminarily determined to be *de minimis*.

SUPPLEMENTARY INFORMATION:

Petitioners

The petition in this proceeding was filed by AL Tech Specialty Steel Corp.; Carpenter Technology Corp.; Republic Engineered Steels; Talley Metals Technology, Inc.; and, United Steelworkers of America, AFL-CIO/CLC (the petitioners).

Case History

Since the publication of the notice of initiation in the **Federal Register** (see *Notice of Initiation of Antidumping and Countervailing Duty Administrative Reviews and Revocations in Part*, 66 FR 54195 (October 26, 2001) (*Initiation Notice*)), the following events have occurred. On November 28, 2001, we issued countervailing duty questionnaires to the Government of Italy (GOI), Acciaierie Valbruna S.p.A (Valbruna), and the European Commission (EC). On January 25, 2002, we received responses to our initial questionnaires from the GOI, the EC and Valbruna (respondent), the producer/exporter of the subject merchandise.

Scope of the Investigation

For purposes of this investigation, certain stainless steel wire rod (SSWR or subject merchandise) comprises products that are hot-rolled or hot-rolled annealed and/or pickled and/or descaled rounds, squares, octagons, hexagons or other shapes, in coils, that may also be coated with a lubricant containing copper, lime or oxalate. SSWR is made of alloy steels containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. These products are manufactured only by hot-rolling or hot-rolling, annealing, and/or pickling and/or descaling, and are normally sold in coiled form, and are of solid cross-section. The majority of SSWR sold in the United States is round in cross-sectional shape, annealed and pickled, and later cold-finished into stainless steel wire or small-diameter bar. The most common size for such products is 5.5 millimeters or 0.217 inches in diameter, which represents the smallest size that normally is produced on a rolling mill and is the size that most wire drawing machines are set up to draw. The range of SSWR sizes normally sold in the United States is between 0.20 inches and 1.312 inches in diameter. Two stainless steel grades SF20T and K-M35FL are excluded from the scope of the investigation. The percentages of chemical makeup for the excluded grades are as follows:

SF20T

Carbon	0.05 max.
Manganese	2.00 max.
Phosphorous	0.05 max.
Sulfur	0.15 max.
Silicon	1.00 max.
Chromium	19.00/21.00.
Molybdenum	1.50/2.50.
Lead	added (0.10/0.30).
Tellurium	added (0.03 min).

K-M35FL

Carbon	0.015 max.
Manganese	0.40 max.
Phosphorous	0.04 max.
Sulfur	0.03 max.
Silicon	0.70/1.00.
Chromium	12.50/14.00.
Nickel	0.30 max.
Lead	added (0.10/0.30).
Aluminum	0.20/0.35.

The products under investigation are currently classifiable under subheadings 7221.00.0005, 7221.00.0015, 7221.00.0030, 7221.00.0045, and 7221.00.0075 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and Customs purposes, the written description of the scope of this investigation is dispositive.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR part 351 (2001).

Period of Review

The period of review (POR) for which we are measuring subsidies is calendar year 2000.

Corporate History: Bolzano and Valbruna

From 1985 through 1990, Bolzano was a wholly-owned subsidiary of Acciaierie e Ferriere Lomarde Falck (Falck). Bolzano was the main industrial company of Falck, which was a private corporate group with holdings in steel, real estate, environmental technologies, and other sectors. In 1990, ILVA acquired 44.8 percent of the stock in Bolzano. ILVA acquired the shares of Bolzano by exchanging an equal value of shares of its own subsidiary Cogne S.p.A. ILVA also acquired shares in other Gruppo Falck steel companies. In 1993, ILVA's interest in Bolzano was completely dissolved because of losses, and Falck again held virtually all of the shares in Bolzano. Falck decided to sell Bolzano based on its company-wide strategic decision to withdraw from the steel sector. Falck contacted Valbruna as a potential buyer in late 1994. Subsequently, the parties entered into negotiations for the transfer of Bolzano. Each party had the value of Bolzano independently evaluated. A third study was done to reconcile the points of the

first valuations that were in dispute relating to the final net equity and cash flow of Bolzano for purposes of finalizing the purchase price. Valbruna acquired 99.99 percent of the shares of Bolzano for this final price on August 31, 1995. Since then, the two companies have issued consolidated financial statements.

Changes in Ownership

As explained in the "Corporate History" section of this notice, Valbruna purchased Bolzano from Falck. The Department has previously determined that Bolzano received subsidies prior to being sold to Valbruna that were not fully expensed or allocated prior to the POR. See e.g., *Final Affirmative Countervailing Duty Determination: Certain Stainless Steel Wire Rod from Italy*, 63 FR 40474, 40485 (July 29, 1998) (*Wire Rod*). However, subsequent to *Wire Rod*, the Department determined in the *Final Affirmative Countervailing Duty Determination: Stainless Steel Bar from Italy*, 67 FR 3163 (January 23, 2002) (*Steel Bar*) not to make a finding as to whether the pre-sale Bolzano and the pre-sale Valbruna were distinct persons from post-sale Valbruna. See the "Changes in Ownership," "Background" and "Comment 3" sections of the January 23, 2002, Issues and Decision Memorandum that accompanied *Steel Bar* (*Steel Bar Issues and Decisions Memorandum*). Specifically, in *Steel Bar*, we noted that the potential benefits from any pre-sale subsidies to Bolzano by the GOI (e.g., such programs as Bolzano Law 25/81 that are explained below in the "Programs Preliminarily Determined To Be Countervailable" section of this notice) remained insignificant, amounting to 0.07 percent *ad valorem*. *Id.* In *Steel Bar*, we further explained that assuming *arguendo* that these pre-sale subsidies continued to benefit Valbruna in the POI, the final *ad valorem* rate (reflecting, in full, any POI benefits of pre-sale subsidies) for Valbruna would be *de minimis*. *Id.* Therefore, we determined that the application of the change in ownership methodology was not relevant for Valbruna. *Id.* Furthermore, in these *Preliminary Results*, the overall *ad valorem* rate is still *de minimis*, even if one includes the pre-change-in-ownership subsidies. Therefore, regardless of our treatment of the pre-change-in-ownership subsidies in these *Preliminary Results*, the highest the overall *ad valorem* rate could be is 0.42 percent.

In these *Preliminary Results*, we are reviewing the same fact pattern for Valbruna that existed in *Steel Bar* (e.g.,

the same company, the same subsidiaries, and the same time period (calendar year 2000)). Thus, we preliminarily determine that the application of the change in ownership methodology is not relevant for Valbruna.

Subsidies Valuation Information

A. Allocation Period

Under 19 CFR 351.524(b) of our regulations, non-recurring subsidies are allocated over a period corresponding to the average useful life ("AUL") of the renewable physical assets used to produce the subject merchandise. Pursuant to 19 CFR 351.524(d)(2), there is a rebuttable presumption that the AUL will be taken from the U.S. Internal Revenue Service's 1977 Class Life Asset Depreciation Range System (the "IRS Tables"), as updated by the Department of Treasury. For SSWR, the IRS Tables prescribe an AUL of 15 years.

In *Wire Rod*, we countervailed certain non-recurring subsidies that were attributable to Valbruna. See *Wire Rod*, 63 FR 40474 at 40476-40477. At the time of *Wire Rod*, it was our practice to calculate company-specific AULs. For Valbruna, we calculated an AUL of 12 years. As a matter of practice, where a subsidy has been allocated over a particular period, we will continue to use the same allocation period for that subsidy in subsequent segments of the same proceeding and from proceeding to proceeding. See, e.g., *Final Affirmative Countervailing Duty Determination: Stainless Steel Sheet and Strip from France*, 64 FR 30774, 30778 (June 8, 1999); see also *Final Affirmative Countervailing Duty Determination: Certain Cut-to-Length Carbon-Quality Steel Plate from France*, 64 FR 73277, 73280 (December 29, 1999). Therefore, for those subsidies to Valbruna that were allocated over a 12-year period in *Wire Rod*, we have continued to use the 12-year allocation period calculated in that segment. For subsidies to these companies that were not countervailed in *Wire Rod*, we have used the 15-year allocation period from the IRS Tables.

In *Steel Bar*, Valbruna/Bolzano also calculated its company-specific AUL. However, in *Steel Bar*, we found that this company-specific AUL does not differ significantly from the 15-year AUL in the IRS Tables. See the "Allocation Period" section of the *Steel Bar Issues and Decision Memorandum*. Therefore, pursuant to 19 CFR 351.524(d)(ii), we allocated all subsidies received by Valbruna/Bolzano, except those countervailed in *Wire Rod*, over 15 years as presumed in the IRS tables. *Id.* For purposes of these preliminary

results, we have continued to adopt this approach.

For non-recurring subsidies, we have applied the "0.5 percent expense test" described in 19 CFR 351.524(b)(2). Under this test, we compare the amount of subsidies approved under a given program in a particular year to sales (total or export, as appropriate) in that year. If the amount of subsidies is less than 0.5 percent of relevant sales, the benefits are allocated to the year of receipt rather than being allocated over the AUL period.

B. Benchmarks for Loans and Discount Rates

Pursuant to 19 CFR 351.505(a) and 351.524(d)(3)(i), the Department will use as long-term loan benchmarks and discount rates the actual cost of long-term borrowing by the company, when available. In *Steel Bar*, we did not accept actual borrowing rates as reported by the respondent because the firm did not take out any comparable commercial loans during the relevant period (*i.e.*, the same year in which the terms of the government-provided benefit were established). See the "Benchmarks for Loans and Discount Rates" and "Comment 12" sections of the *Steel Bar Issues and Decisions Memorandum*. Instead, pursuant to 19 CFR 351.505(a)(3)(ii), we calculated the average cost of long-term fixed-rate loans in Italy. *Id.* Specifically, in *Steel Bar*, the Department relied on the Italian Interbank Rate ("ABI") as the basis for the long-term benchmark rate. *Id.* This approach was consistent with past cases. See, *e.g.*, *Wire Rod*, 64 FR at 40476-77; *Final Affirmative Countervailing Duty Determination: Stainless Steel Plate in Coils From Italy*, 64 FR 15508, 15510-15511 (March 31, 1999) (*Plate in Coils*); *Final Affirmative Countervailing Duty Determination: Stainless Steel Sheet and Strip in Coils From Italy*, 64 FR 30624, 30626-30627 (June 8, 1999) ("*Sheet and Strip*"); *Final Affirmative Countervailing Duty Determination: Certain Cut-to-Length Carbon Quality Steel Plate From Italy*, 64 FR 73244, 73248 (December 29, 1999) ("*CTL Carbon Plate*"). For purposes of these preliminary results, we have adopted the same approach and used the ABI as the basis for Valbruna's long-term benchmark rate.

Next, we added two amounts to the ABI rate. First, an upward adjustment is necessary because the ABI rate represents a long-term interest rate to banks' most-preferred customers with established low-risk credit histories. For other customers, banks will typically add a spread ranging from 0.55 percent to 4 percent, to the ABI rate depending

on the company's financial health. To reflect this, we have added the average of this spread, 2.28 percent, to the ABI rate. Second, we added an additional amount to the benchmark interest rate to reflect the charges associated with long-term lending activities that are levied by commercial banks. We note that our derivation of the long-term benchmark interest rate is consistent with Department's past practice concerning the ABI rate. See *e.g.*, the "Benchmarks for Loans and Discount Rates" section of the *Steel Bar Issues and Decisions Memorandum*; *Plate in Coils*, 64 FR at 15511; *Sheet and Strip*, 64 FR at 30627; and *CTL Carbon Plate*, 64 FR at 73248.

I. Programs Preliminarily Determined To Be Countervailable

A. Government of Italy Law 451/94 Early Retirement Benefits

Law 451/94 authorized early retirement packages for steel workers for the years 1994 through 1996. The law entitled men of 50 years of age and women of 47 years of age with at least 15 years of pension contributions to retire early. Benefits were applied for between 1994 to 1996 and, upon early retirement, workers received benefits until their normal ages of retirement, for a maximum of ten years. Employees of Bolzano used the measures in all three years of the program. Bolzano, which is wholly-owned by Valbruna, had workers retire under Law 451/94 during or before the POR.

In *Wirw Rod*, we learned that, pursuant to extraordinary Cassa Integrazione (CIG) and Article 2120 of the Italian Civil Code, most Italian companies are legally obligated to pay a small percentage of the employee's salary and set aside severance contributions. See *Wire Rod*, 63 FR at 40480. In addition, we found that, when comparing the costs under the two programs, the costs incurred by companies covered by Law 451/94 were lower than those companies operating under the CIG and Article 2120 of the Italian Civil Code. *Id.* Thus, in *Wire Rod*, we determined that Law 451/94 provides a government financial contribution under section 771(5)(D)(i) of the Act and confers a benefit to the recipient in the amount of costs covered by the GOI that the company would normally incur. *Id.* In *Wire Rod*, we further determined that Law 451/94 was specific under section 771(5A)(D)(i) of the Act because early retirement benefits under this program are limited, by law, to the steel industry. *Id.* No new information or evidence of changed circumstances were presented in this review to warrant any reconsideration of

these findings. Thus, for purposes of these preliminary results, we continue to find that Law 451/94 provided countervailable benefits to Valbruna during the POR.

Consistent with the Department's regulations, we have treated payments under Law 451/94 as recurring grants expensed in the year of receipt. See 19 CFR 351.524(a) and 351.513(b) and (c). In addition, we have adopted the calculation methodology adopted in *Steel Bar*. In *Steel Bar*, Valbruna reported that several employees had reached their normal retirement age prior to the POI. See *Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination: Stainless Steel Bar from Italy*, 66 FR 30414 at 30419 (June 6, 2001) (*Steel Bar Preliminary Determination*). Therefore, in *Steel Bar*, the Department found that these employees were no longer receiving early retirement benefits under Law 451/94 and were instead receiving normal retirement benefits from Valbruna. *Id.*

To calculate a subsidy rate, we first deducted these employees from the total number of employees who were approved to receive benefits during the application period, 1994 to 1996. The resulting number (*i.e.*, the number of employees who retired early and continued to receive Law 451/94 benefits in the POI), categorized by employee type (*i.e.*, blue collar, white collar, and senior executive), was multiplied by their respective average salary during the POI. Because the GOI made payments to these workers equaling eighty percent of their salary, we find forty percent of this amount benefitted Valbruna. We then divided this benefit by Valbruna's and Bolzano's consolidated sales during the POI. Accordingly, we preliminarily determine that a countervailable benefit of 0.09 percent *ad valorem* exists for Valbruna.

B. Province of Bolzano Law 25/81, Articles 13 through 15

The Province of Bolzano Law 25/81 is a general aid measure that provides grants to companies with limited investments in technical fixed assets. It targets advanced technology, environmental investment, or restructuring projects. Restructuring assistance is provided to companies under Articles 13 through 15. These two articles establish different eligibility requirements, different application procedures, different levels of available aid, and different types of aid (grants and loans) than assistance provided

under other Articles of Law 25/81. Therefore, we find it appropriate to examine Articles 13 through 15 of Law 25/81 as a separate program. *See, e.g., Wire Rod*, 63 FR at 40485–40486. Bolzano received a total of 18.6 billion lire in restructuring grants from 1983 through 1992. Specifically, Bolzano received grants for four restructuring projects under this law: one was approved in 1983, another in 1985, and two in 1988. It also had a small amount from restructuring loans outstanding during the POR, which were provided at concessionary, long-term fixed rates.

In *Steel Bar*, we determined that Bolzano was the major recipient in each of the years that it received funds under this program and Bolzano received a significant percentage of total assistance awarded. *See* “Province of Bolzano Law 25/81, Articles 13 through 15” of the *Steel Bar Issues and Decisions Memorandum*. *See also Wire Rod*, 64 FR at 40486. While assistance was provided to a number of firms during this period, Bolzano was the largest single recipient of restructuring assistance, receiving far more than the average recipient over this period. Thus, we conclude that the restructuring assistance granted to Bolzano under Articles 13 through 15 of Law 25/81 is *de facto* specific within the meaning of section 771(5A)(D)(iii)(III) of the Act because Bolzano received a disproportionately large share of benefits. The restructuring aid constitutes a government financial contribution which confers a benefit in the amount of grants, and interest savings on reduced-rate long-term loans. *See Wire Rod*, 63 FR 40486. Therefore, we determine that Articles 13 through 15 of Provincial Law 25/81 provide a countervailable subsidy within the meaning of section 771(5) of the Act. *Id.*

We note that on July 17, 1996, the European Union (EU) found in its decision number 96/617/ECSC that the aid granted to Bolzano under Law 25/81 was illegal because it was not notified to the EU, and was “incompatible with the common market pursuant to Article 4(c) of the ECSC treaty.” As a result, the EU ordered the repayment of all grants and loans made to Bolzano which were approved after January 1, 1986. The EU decision did not require the repayment of Bolzano assistance approved prior to January 1, 1986. We note that Falck unsuccessfully appealed the EU’s decision. As of the end of the POR, Falck’s second, and final, appeal was still before the EU. In *Steel Bar*, we determined that pursuant to the EU’s 1996 ruling, Falck effectively repaid the assistance under Law 25/81 approved and granted to Bolzano after January 1, 1986. *See Steel Bar Preliminary*

Determination, 66 FR at 30421, which was unchanged in *Steel Bar*. With respect to Falck’s second appeal, we stated in *Steel Bar* that given the diminished prospects for Falck to recover the amount it had repaid, there was no benefit to Bolzano or Valbruna from the grants and loans received under this program after January 1, 1986. *Id.* However, in *Steel Bar*, we further stated that if Falck does prevail in its second appeal and the monies it has repaid are refunded, it would be appropriate at that time to consider whether a benefit exists. *Id.* Thus, in *Steel Bar*, we only countervailed those grants for which the EU did not require a repayment (*e.g.*, those grants provided to Bolzano prior to January 1, 1986).

Since we are examining the same program, company, and review period in these Preliminary Results that were at issue in *Steel Bar*, we are adopting the same approach. Thus, as in *Steel Bar*, only the grants approved before 1986 will be considered countervailable.

Bolzano submitted a separate application to the regional authority for each project, so we are treating the grants received under Articles 13 through 15 of Provincial Law 25/81 as non-recurring. *See* 19 CFR 351.524(b). Pursuant to the Department’s non-recurring grant methodology, to calculate the benefit from the restructuring grants, we allocated the grants over Valbruna/Bolzano’s AUL to determine the benefit in each year. To determine the benefit from the restructuring loans that were still outstanding during the POI, we compared the long-term fixed-rate provided under the program to the benchmark rate described in the “Subsidies Valuation Information” section above since the company did not have long-term fixed rate loans from the same period. We then applied the Department’s standard long-term loan methodology and calculated the grant equivalent for the loans. We then summed the benefit amounts attributable to the POI from Bolzano’s grants and loans and divided the total benefit by Valbruna’s and Bolzano’s consolidated total sales. On this basis, we determine the countervailable subsidy would be 0.07 percent *ad valorem* for Valbruna, if we were to assume that all of the pre-change-in-ownership subsidies were countervailable.

C. European Social Fund

The European Social Fund (“ESF”), one of the Structural Funds operated by the EC, was established in 1957 to improve workers’ employment opportunities and to raise their living

standards. The main purpose of the ESF is to make employing workers easier and to increase the geographical and occupational mobility of workers within the EU. It accomplishes this by providing support for vocational training, employment, and self-employment.

Like the other EC Structural Funds, ESF seeks to achieve six different objectives explicitly identified in the EC’s framework regulations for Structural Funds: Objective 1 is to promote development and structural adjustment in underdeveloped regions; Objective 2 is to assist areas in industrial decline; Objective 3 is to combat long-term unemployment and to create jobs for young people, and people excluded from the labor market; Objective 4 is to assist workers adapting to industrial changes and changes in production systems; Objective 5 is to promote rural development; and Objective 6 is to aid sparsely populated areas in northern Europe.

The EU Member States are responsible for the identification of projects to receive ESF financing and their subsequent implementation. The Member States must also contribute to the financing of the projects. In general, the maximum benefit provided by ESF is 50 percent of the total cost of projects geared toward Objectives 2, 3, 4, and 5b, and 75 percent of the project’s total cost for Objective 1 projects. For Objective 4 programs implemented in Italy, generally 45 percent of the funding is provided by the EC and 35 percent by the GOI. Companies usually receive 50 percent of the aid up-front and the remainder upon satisfactory completion of the training program.

According to the questionnaire responses, Valbruna received or benefitted from ESF grants. We find these grants from the EU to constitute a government financial contribution within the meaning of section 771(5)(D)(i) of the Act.

All of the grants Valbruna received were given for Objective 4 projects involving worker assistance in the form of employee training. The Department considers worker assistance programs to provide a benefit to a company when the company is relieved of a contractual or legal obligation it would otherwise have incurred. *See* 19 CFR section 351.513(a). Concerning specificity, in *Steel Bar*, we stated that because the GOI and Valbruna declined to provide industry and regional distribution information, we applied an adverse inference and, therefore, concluded that the ESF program was *de facto* specific within the meaning of section 771(5A) of the Act. *See* the “European Social

Fund” section of the *Steel Bar Issues and Decisions Memorandum*. We note the Department took the same approach in *Plate in Coils*, 64 FR 15508 at 15517. For purposes of these *Preliminary Results*, it is not necessary to determine whether an adverse inference is appropriate because, even if the Department were to make such an inference, the over all *ad valorem* rate would remain *de minimis*.

D. Lease of Bolzano Industrial Site to Valbruna

Falck sold Bolzano to Valbruna in 1995. Concurrent with the change in ownership, Falck and Bolzano sold Bolzano’s industrial site to the Province of Bolzano (“Province”). In *Wire Rod*, we determined that the Province paid for the property in full. See 63 FR at 40483. Nothing on the record in the current review leads us to a different conclusion. At the same time, Valbruna negotiated with the Province to lease the Bolzano industrial site and, on July 31, 1995, signed a thirty-year lease.

We preliminarily determine that the Province’s lease of the industrial site to Valbruna constitutes a financial contribution within the meaning of section 771(5)(D)(iii) of the Act and that the lease is *de jure* specific within the meaning of 771(5)(D)(i) of the Act because the lease was limited to Valbruna.

In determining the existence and amount of the benefit, we have adopted the approach used in *Steel Bar*. Specifically, we compared the average annual return on industrial leased property in Italy during the POR to the rent paid by Valbruna during the POR. See *Steel Bar Preliminary Determination* at 30423. This comparison indicates that Valbruna received a benefit in the amount of the difference. We also included in our calculations the benefits stemming from Valbruna’s late lease payment to the Government of the Province of Bolzano (GOB). In *Steel Bar*, we explained that the GOB’s lease states that Valbruna’s payments were due no later than sixty days after the invoice date. See the “Lease of Bolzano Industrial Site to Valbruna” section and “Comment 7: Bolzano’s Industrial Lease and Extraordinary Maintenance” of the *Steel Bar Issues and Decision Memorandum*. Therefore, we found in *Steel Bar* that the non-collection of these monies provided Valbruna with a financial contribution in the form of a direct transfer of funds, *i.e.*, a zero-interest loan. *Id.* at Comment 7. We also note that, consistent with the Department’s approach in *Steel Bar*, we have not adjusted the benchmark lease rate to reflect the assumption by

Valbruna of responsibility for extraordinary maintenance. *Id.* at Comment 7.

To calculate the subsidy to Valbruna during the POR, we divided the benefit (*i.e.*, the difference between the average rate of return on leased commercial property in Italy during the POI and the actual rent paid by Valbruna during the POR) by Valbruna and Bolzano’s total consolidated sales during the POR. Accordingly, we preliminarily determine that a countervailable benefit of 0.11 percent *ad valorem* for Valbruna.

E. Environmental and Research and Development Assistance to Bolzano Under Law 25/81

Valbruna reported receiving two grants under Law 25/81 for the adaptation of existing facilities to new environmental requirements (“environmental grants”). As discussed earlier, we found assistance provided under Article 13 through 15 of Law 25/81 to be countervailable in *Wire Rod*. Though environmental grants under 25/81 were not investigated in *Wire Rod*, we examined them in *Steel Bar* and found them to be distinct from Articles 13 through 15 grants. See *Steel Bar Preliminary Determination* at 30423, which was unchanged in *Steel Bar*.

In *Steel Bar*, we determined that the environmental grants Valbruna received during the POR under Law 25/81 were countervailable subsidies because they were specific within the meaning of 771(5A)(D)(iii) of the Act and because they constituted government financial contributions and a benefit under sections 771(5)(D)(i) and 771(5)(E) of the Act, respectively. See the “Environmental and Research and Development Assistance to Bolzano Under Law 25/81” section of the *Steel Bar Issues and Decision Memorandum*. Regarding the Department’s specificity determination in *Steel Bar*, we made the decision on the basis of an adverse inference because the Province of Bolzano provided insufficient information regarding the specificity of the environmental grants. See *Steel Bar Preliminary Determination*, 66 FR at 30423, which was unchanged in *Steel Bar*. For purposes of these *Preliminary Results*, it is not necessary to determine whether an adverse inference is appropriate because, even if the Department were to make such an inference, the over all *ad valorem* rate would remain *de minimis*.

II. Programs Preliminarily Determined To Be Not Used

A. Capacity Reduction Payments under Articles 3 and 4 of Law 193/1984

- B. Law 796/76 Exchange Rate Guarantees
- C. Article 33 of Law 227/77, Export Credit Financing Under Law 227/77, and Decree Law 143/98
- D. Grants under Laws 46/82 and 706/85
- E. Law 181/89 and Law 120/89
- F. Law 488/922, Legislative Decree 96/93 and Circolare 38522
- G. Law 341/95 and Circolare 50175/95
- H. Law 675/77
 1. Interest Grants on Bank Loans
 2. Mortgage Loans
 3. Interest Contribution on IRI Loans
 4. Personnel Retraining Aid
- I. Law 394/81 Export Marketing Loans
- J. Law 481/94 (and Precursors) Grants for Reduced Production
- K. Law 489/94
- L. Law 10/91

Suspension of Liquidation

In accordance with section 703(d)(1)(A)(i) of the Act, we calculated an individual rate for each manufacturer of the subject merchandise participating in this administrative review. We preliminarily determine the total estimated net countervailable subsidy rate to be:

Producer/exporter	Net subsidy rate
Acciaierie Valbruna S.r.l./Acciaierie Bolzano S.r.l.	0.27 percent <i>ad valorem</i> .

As provided for in the Act and 19 CFR 351.106 (c)(1), any rate less than 0.5 percent *ad valorem* in an administrative review is *de minimis*. Accordingly, if the final results of this review remain the same as these preliminary results, no customs duties will be assessed. The Department will instruct Customs to liquidate without regard to countervailing duties, shipments of the subject merchandise for Valbruna/Bolzano entered, or withdrawn from warehouse, for consumption from January 1, 2000, through December 31, 2000. Also, the cash deposit will be set at zero for this company.

Because the 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. The 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 antidumping regulation on automatic assessment, which is identical to 19 CFR 355.22(g), the predecessor to 19 CFR 351.222(c)). 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 Customs 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. *See Wire Rod*, 63 FR 40474 at 40503. 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, 2000 through December 31, 2000, 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

In accordance with 19 CFR 351.310, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on these preliminary results. The hearing is tentatively scheduled to be held 37 days from the date of publication of these preliminary results, at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the **Federal Register** to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, NW., Washington, DC. 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Requests for a public hearing should contain: (1) The party's name, address, and telephone number; (2) the number

of participants; and, (3) to the extent practicable, an identification of the arguments to be raised at the hearing. In addition, six copies of the business proprietary version and six copies of the non-proprietary version of the case briefs must be submitted to the Assistant Secretary no later than 30 days from the date of publication of the preliminary determination. As part of the case brief, parties are encouraged to provide a summary of the arguments not to exceed five pages and a table of statutes, regulations, and cases cited. Six copies of the business proprietary version and six copies of the non-proprietary version of the rebuttal briefs must be submitted to the Assistant Secretary no later than 5 days from the date of filing of the case briefs. An interested party may make an affirmative presentation only on arguments included in that party's case or rebuttal briefs. Written arguments should be submitted in accordance with 19 CFR 351.309 and will be considered if received within the time limits specified above.

This determination is published pursuant to sections 751(f) and 777(i) of the Act.

Dated: June 3, 2002.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 02-14377 Filed 6-6-02; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 051502A]

Endangered Species; Permit No. 1299

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Issuance of permit amendment.

SUMMARY: Notice is hereby given that Raymond R. Carthy, Ph.D., Florida Cooperative Fish and Wildlife Research Unit, P.O. Box 110450, University of Florida, Gainesville, Florida 32611, has been issued an amendment to scientific research Permit No. 1299.

ADDRESSES: The amendment and related documents are available for review upon written request or by appointment in the following office(s):

Permits, Conservation and Education Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910; phone (301)713-2289; fax (301)713-0376.

FOR FURTHER INFORMATION CONTACT:

Lillian Becker or Ruth Johnson, (301)713-2289.

SUPPLEMENTARY INFORMATION: The requested modification has been granted under the authority of the Endangered Species Act of 1973, as amended (ESA; 16 U.S.C. 1531 *et seq.*), the provisions of § 222.306 of the regulations governing the taking, importing, and exporting of endangered and threatened fish and wildlife (50 CFR 222-226).

The Permit authorizes the Holder to attach five (5) radio/sonic transmitters and to five (5) radio transmitters to loggerhead, green or Kemp's ridley turtles already authorized to be taken. No additional animals were authorized to be taken. This activity will occur in 2002 and 2003.

Issuance of this amendment, as required by the ESA was based on a finding that such permit (1) was applied for in good faith, (2) will not operate to the disadvantage of the endangered species which is the subject of this permit, and (3) is consistent with the purposes and policies set forth in section 2 of the ESA.

Dated: June 3, 2002.

Eugene Nitta,

Acting Chief, Permits, Conservation and Education Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 02-14361 Filed 6-6-02; 8:45 am]

BILLING CODE 3510-22-S

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 02-27]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Pub. L. 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. J. Hurd, DSCA/COMPT/RM, (703) 604-6575

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 02-27 with attached transmittal and policy justification.

Dated: June 3, 2002.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.