values result in dumping margins that range from 9.61 percent to 10.05 percent.

Fair Value Comparisons

Based on the data provided by petitioners, there is reason to believe that imports of SSWR from Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan are being, or are likely to be, sold at less than fair value.

Initiation of Antidumping Investigations

We have examined the petition on SSWR and have found that it meets the requirements of section 732 of the Act, including the requirements concerning allegations of the material injury or threat of material injury to the domestic producers of a domestic like product by reason of the subject imports, allegedly sold at less than fair value. Therefore, we are initiating antidumping duty investigations to determine whether imports of SSWR from Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan are being, or are likely to be, sold in the United States at less than fair value. Unless extended, we will make our preliminary determinations for the antidumping duty investigations by January 6, 1998.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of each petition has been provided to the representatives of the governments of Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan. We will attempt to provide a copy of the public version of each petition to each exporter named in the petition (as appropriate).

International Trade Commission Notification

We have notified the ITC of our initiations, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will determine by September 15, 1997, whether there is a reasonable indication that imports of SSWR from Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan are causing material injury, or threatening to cause material injury, to a U.S. industry. Any negative ITC determination will result in the particular investigation being terminated; otherwise, the investigations will proceed according to statutory and regulatory time limits.

Dated: August 19, 1997.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 97–22690 Filed 8–25–97; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–475–821]

Notice of Initiation of Countervailing Duty Investigation: Certain Stainless Steel Wire Rod (''SSWR'') from Italy

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

EFFECTIVE DATE: August 26, 1997.

FOR FURTHER INFORMATION CONTACT: Kathleen Lockard or Kelly Parkhill, Office of CVD/AD Enforcement VI, International Trade Administration, U.S. Department of Commerce, Room 3099, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482–2786.

Initiation of Investigation

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (''URAA'') effective January 1, 1995 (''the Act''). In addition, unless otherwise indicated, all citations to the Department's regulations are to the current regulations as amended by the regulations published in the **Federal Register** on May 19, 1997 (62 FR 27295).

The Petition

On July 30, 1997, the Department of Commerce (the Department) received a petition filed in proper form by AL Tech Speciality Steel Corp., Carpenter Technology Corp., Republic Engineered Steels, Talley Metals Technology, Inc., and United Steelworkers of America, AFL–CIO/CLC (the petitioners). Supplements to the petition were filed on August 6, 13, 14, and 15, 1997.

In accordance with section 701(a) of the Act, the petitioners allege that producers and/or exporters of SSWR in Italy receive countervailable subsidies. The petitioners state that they have standing to file the petition because they are interested parties, as defined under section 771(9)(C) of the Act.

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (1) At least 25 percent of the total production of the domestic like product; and (2) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

Section 771(4)(A) of the Act defines the ''industry'' as the producers of a domestic like product. Thus, to determine whether the petition has the requisite industry support, the statute directs the Department to look to producers and workers who account for production of the domestic like product. The International Trade Commission (''ITC''), which is responsible for determining whether ''the domestic industry'' has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory provision regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the domestic like product, such differences do not render the decision of either agency contrary to the law.[1]

Section 771(10) of the Act defines domestic like product as ''a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.'' Thus, the reference point from which the domestic like product analysis begins is ''the article subject to an investigation,'' *i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition.

The petition refers to the single domestic like product defined in the ''Scope of Investigation'' section, below. The Department has no basis on the record to find the petition's definition of the domestic like product to be inaccurate. In this regard, we have found no basis on which to reject petitioners' representations that there are clear dividing lines, in terms of

[1] *See Algoma Steel Corp., Ltd.* v. *United States,* 688 F. Supp. 639, 642–44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass Therefor from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition,* 56 FR 32376, 32380–81 (July 16, 1991).

characteristics and uses, between the product under investigation and other coiled steel products. The Department has, therefore, adopted the domestic like product definition set forth in the petition. In this case, petitioners established industry support substantially above the statutory requirement. Accordingly, the Department determines that the petition is filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act.

Scope of Investigation

For purposes of this investigation, certain SSWR 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 chemical makeup for the excluded grades are as follows:

SF20T			
Carbon	0.05 max	Chromium	19.00/21.00
Manganese	2.00 max	Molybdenum	1.50/2.50
Phosphorous	0.05 max	Lead	Added (0.10/0.30)
Sulfur	0.15 max	Tellurium	Added (0.03 min)
Silicon	1.00 max.		

K–M35FL			
Carbon	0.015 max	Nickel	0.30 max
Silicon	0.70/1.00	Chromium	12.50/14.00
Manganese	0.40 max	Lead	0.10/0.30
Phosphorous	0.04 max	Aluminum	0.20/0.35
Sulfur	0.03 max.		

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.

As we discussed in the preamble to the new regulations (62 FR at 27323), we are setting aside a period for interested parties to raise issues regarding product coverage. The Department encourages all interested parties to submit such comments by September 15, 1997. Comments should be addressed to Import Administration's Central Records Unit at Room 1874, U.S. Department of Commerce, Pennsylvania Avenue and 14th Street, NW., Washington, DC 20230. This period of scope consultation is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determination.

Consultations

On August 13, 1997, pursuant to Section 702(b)(4)(A)(ii) of the Act, the Department held consultations with representatives of the European Commission (''EC'') and the Government of Italy (''GOI'') with respect to the petition.

Injury Test

Because Italy is a ''Subsidies Agreement Country'' within the meaning of section 701(b) of the Act, the U.S. International Trade Commission (''ITC'') must determine whether imports of the subject merchandise from Italy materially injure, or threaten material injury to, a U.S. industry.

Allegation of Subsidies

Section 702(b) of the Act requires the Department to initiate a countervailing duty proceeding whenever an interested party files a petition, on behalf of an industry, that (1) alleges the elements necessary for an imposition of a duty under section 701(a), and (2) is accompanied by information reasonably available to petitioners supporting the allegations.

Initiation of Countervailing Duty Investigation

The Department has examined the petition on SSWR from Italy and found that it complies with the requirements of section 702(b) of the Act. Therefore, in accordance with section 702(b) of the Act, we are initiating a countervailing duty investigation to determine whether producers and/or exporters of SSWR from Italy receive subsidies.

Company Histories

Petitioners have made specific subsidy allegations with respect to three Italian SSWR producers: Cogne Acciai Speciali CAS S.r.l. (''Cogne''), Acciaierie di Bolzano S.p.A. (''Bolzano'') and Acciaierie Valbruna S.r.l. (''Valbruna'').

Cogne was a subsidiary of the ILVA Group (or its precursors) until 1993, at which time it was privatized and sold to the Marzorati Group. ILVA and its precursors were subsidiaries of the Istituto per la Ricostruzione Industriale (''IRI''), which, in turn, was owned by the GOI. In a stock swap approved in 1991, 22.4 percent of Cogne was transferred to Falck, the privately-owned parent company of Bolzano, in return for shares accounting for 44.8 percent of Bolzano. In 1993, ILVA reacquired Falck's shares of Cogne and returned the Bolzano shares to Falck.

Bolzano was 100 percent owned and controlled by Falck between 1982–1991 and 1993–1995. In a stock swap approved in 1991, 44.8 percent of Bolzano was acquired by ILVA, and Falck's share of the company dropped to 55.2 percent. As discussed above, Falck

reacquired these shares in 1993 when it returned the shares of Cogne to ILVA. In 1995, Bolzano was sold to Valbruna.

Valbruna is owned and controlled by the Gruppo Amenduni. Valbruna now owns and controls 100 percent of Bolzano.

Equityworthiness

In the July 30, 1997 petition, petitioners alleged that ILVA was unequityworthy from 1982 through 1994; Cogne was unequityworthy from 1982 through 1996; Bolzano was unequityworthy from 1990 through 1996; and Falck was unequityworthy from 1992 through 1994. However, on August 13, 1997, petitioners clarified that they are not alleging any previously uninvestigated equity infusions other than the equity infusion provided to ILVA in 1992 and approved by the EC in 1993. As petitioners only allege corresponding equity infusions for ILVA in 1982, 1984 through 1988, and 1991 through 1993, we will not examine ILVA's equityworthiness in 1983 and 1989 through 1990.

Creditworthiness

Petitioners allege ILVA was uncreditworthy from 1982 through 1994; Cogne was uncreditworthy from 1982 through 1996; Bolzano was uncreditworthy from 1990 through 1996; and Falck was uncreditworthy from 1992 through 1994. We will investigate ILVA's creditworthiness from 1982 through 1994, Cogne's creditworthiness from 1994 through 1996, Bolzano's creditworthiness from 1995 through 1996 and Falck's creditworthiness from 1992 through 1994 to the extent government equity infusions, loans or loan guarantees were provided in those years.

Programs

We are including in our investigation the following programs alleged in the petition to have provided subsidies to producers and exporters of the subject merchandise in Italy:

Government of Italy Programs

1. Debt Forgiveness: Finsider-to-ILVA Restructuring (predecessor companies)
2. Equity Infusions to ILVA and Precursor Companies
3. Debt Forgiveness: 1981 Restructuring Plan
4. 1992 Equity Infusions to ILVA (Approved by the EC in 1993)
5. ILVA Pre-Privatization Assistance and Debt Forgiveness
6. R&D Grants
7. Law 481/94 and Precursors
8. Decree Law 120/89
9. Deliberazione: Law 46 Grants for Technological Innovation
10. Law 675
    a. Interest Grants on Bank Loans
    b. Mortgage Loans
    c. Interest Contributions on IRI Loans
    d. Personnel Retraining Aid
11. Law 193/84 Programs
12. Grants and Loans for Reduction of Production Capacity: Laws 46 and 706
13. Law 796/76 Exchange Rate Guarantees
14. Law 227/77 Export Loans and Remission of Taxes
15. Law 394/81 Export Marketing Grants and Loans
16. Law 451/94 Early Retirement Assistance
17. Subsidies for Operating Expenses and ''Easy Term'' Funds

Regional Programs of the Government of Italy

1. Law 488/92 and Legislative Decree 96/93
2. Law 341/95 and Circolare 50175/95

Programs of Regional Governments

1. Valle d'Aosta Regional Assistance Associated With the Sale of Cogne Including Laws 1/96 and 28/96
2. Valle d'Aosta Regional Law 16/88 Modifying Law 33/73
3. Valle d'Aosta Regional Law 64/92
4. Valle d'Aosta Regional Law 12/87
5. Valle d'Aosta Regional Law 3/92
6. Bolzano/Trentino Alto-Adige Regional Assistance Associated with the Sale of Bolzano
7. Provincial Grants/Loans Provided to Bolzano [2]
8. Bolzano Law 44/92

European Commission Programs

1. European Coal and Steel Community (ECSC) Article 54 Loans
2. Interest Rebates on ECSC Article 54 Loans
3. ECSC Article 56 Loans
4. European Social Fund
5. European Regional Development Fund
6. Resider Program
7. 1993 European Commission Steel Funds

We are not including in our investigation the following programs alleged to be benefitting producers and exporters of the subject merchandise in Italy:

1. Grants to ILVA: The petitioners allege that, in a previous investigation of steel products, the Department countervailed various programs that provided grants to ILVA; however, the amounts of the grants exceeded those authorized by the GOI and the EC. (*See Final Affirmative Countervailing Duty Determinations: Certain Steel Products from Italy*, 58 FR 37327 (July 9, 1993) (''*Certain Steel*''). Because there was no verification of ILVA's response in that investigation, we countervailed the excess as miscellaneous grants based on best information available (BIA).

However, in a subsequent investigation, it was verified that these miscellaneous grants were included in Law 675/77 programs. *See Final Affirmative Countervailing Duty Determination: Grain-Oriented Electrical Steel from Italy*, 59 FR 18357 (April 18, 1994) (''*Electrical Steel*''). Since the Department is initiating an investigation on these Law 675/77 programs, this alleged subsidy is already captured. As such, we are not initiating separately on ''grants to ILVA.''

2. Interest Subsidies under Law 617/81: The petitioners allege that, in 1982, IRI issued two trillion lire worth of bonds. It then re-lent these funds to its subsidiaries. Of that amount, over 900 billion lire was provided to ILVA's predecessor company, Nuovo Italsider. Under Law 617/81, the GOI promised to pay 11 percent of the total interest costs of the loans. In *Certain Steel*, this program was countervailed as a non-recurring grant based on BIA. In *Electrical Steel*, this program was determined not to be used because none of the loans were outstanding during the POI in that investigation. Because, as determined in *Electrical Steel*, the loans on which these interest payments had been made were no longer outstanding in 1992, we are not initiating on this program.

3. Law 675: Value Added Tax (VAT) Reductions: The petitioners allege that VAT Reductions under law 675 were countervailed in *Certain Steel*; however, in *Electrical Steel*, this program was found to be targeted to southern Italy. Since none of the producers of subject merchandise are located in southern Italy, and petitioners have not provided any information that demonstrates that firms outside of southern Italy are eligible for benefits under this program, we are not initiating on this program.

4. Other Government Loans: Petitioners request that the Department investigate financing provided by the GOI to producers of subject merchandise. Several of the producers of subject merchandise have received loans from the GOI or GOI-owned banks. However, petitioners have not presented sufficient information to

[2] We note that the EC has ordered repayment of the Provincial Grants/Loans provided to Bolzano. During consultations, the EC stated that the assistance will be repaid even though the EC decision is under appeal. In the investigation, we intend to look into the possibility that the assistance has been repaid.

indicate that these loans are at noncommercial rates, or otherwise provide a benefit to producers of subject merchandise. Of the loans identified by petitioners, one loan appears to have been on preferential terms to a producer of subject merchandise. However, that loan was provided under law 46, which we have included in this investigation. Therefore, we are not initiating on this allegation regarding ''other government loans.''

5. Government Loan Guarantees: Petitioners allege that several third party loan guarantees listed in the producers' annual reports are likely to have been provided by the government at preferential rates. Petitioners claim that these guarantees may be the same, or similar to, loan guarantees countervailed by the Department in *Certain Steel*.

The Department countervailed government loan guarantees provided by IRI and Finsider in *Certain Steel* based on BIA. However, in *Electrical Steel*, these loan guarantees were found to have been provided only by Finsider, not IRI. Since Finsider was in liquidation, and therefore could not have paid the loan even if required to, the Department found that these loan guarantees provided no benefit.

Petitioners have not provided any information that indicates that the guarantees listed in the company's annual reports are provided by the government at preferential rates, nor have they provided any information demonstrating that these guarantees, if provided by the government, were done so on a specific basis. Therefore, we are not initiating on these loan guarantees.

6. Bolzano/Trentino-Alto Adige Law 9/91: Petitioners allege that Law 9/91, which provides easy term loans to stimulate local economic activity, provides countervailable benefits to producers of subject merchandise. Loans under this law are available to companies in tourism, agriculture, crafts and services. Petitioners have not shown that producers of subject merchandise would be eligible for benefits under this provision. Moreover, they have not provided sufficient information to indicate that Law 9/91 would be specific. Therefore, we are not initiating on this program.

7. Trentino-Alto Adige Law 8/95: Petitioners allege that the region of Trentino-Alto Adige provides various incentives under Law 8/95 to promote local industry, commerce, services, crafts and tourism. However, they have not provided sufficient information to indicate that the incentives provided under this law are specific. Therefore, we are not initiating on Law 8/95 of the region of Trentino-Alto Adige.

8. Veneto Law 39/87: Petitioners allege that Law 39/87 of the Veneto region provides countervailable benefits to producers of subject merchandise. This law establishes a registry for financial assistance in the province. Based on the information contained in the petition, this law seems to be simply an administrative measure that requires companies to register with the province before applying for assistance. Petitioners have provided no basis to believe that Law 39/87 provide any benefits; therefore, we are not initiating on this program.

9. Veneto Law 16/93: Petitioners allege that Law 16/93 of the Veneto region provides countervailable benefits to producers of subject merchandise. This law established various initiatives designed to promote the economic and social development of Veneto's eastern region. However, based on evidence in the petition, Valbruna, the only producer of subject merchandise located in the Veneto Region, is not located in the eastern portion of the region and there is no indication that other parts of the region are eligible for benefits. As no producers of subject merchandise appear eligible for benefits under this law, we are not initiating on this program.

Distribution of Copies of the Petition

In accordance with section 702(b)(4)(A)(i) of the Act and section 351.203(c)(2) of the Department's regulations, copies of the public version of the petition have been provided to the representatives of the GOI and the EC. We will attempt to provide copies of the public version of the petition to all the exporters named in the petition.

ITC Notification

Pursuant to section 702(d) of the Act and section 351.203(c)(1) of the Department's regulations, we have notified the ITC of this initiation.

Preliminary Determination by the ITC

The ITC will determine by September 15, 1997, whether there is a reasonable indication that an industry in the United States is being materially injured, or is threatened with material injury, by reason of imports from Italy of SSWR. Any ITC determination which is negative will result in the investigation being terminated; otherwise, the investigation will proceed according to statutory and regulatory time limits.

This notice is published pursuant to section 702(c)(2) of the Act and section 351.203(c)(1) of the Department's Regulations.

Dated: August 19, 1997.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 97–22687 Filed 8–25–97; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

University of New Mexico Notice of Decision on Application for Duty-Free Entry of Scientific Instrument

This decision is made pursuant to Section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89–651, 80 Stat. 897; 15 CFR part 301). Related records can be viewed between 8:30 A.M. and 5:00 P.M. in Room 4211, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C.

Docket Number: 97–043. *Applicant:* University of New Mexico, Albuquerque, NM 87131–6041. *Instrument:* X-Ray Photoelectron Spectrometer, Model AXIS HSi. *Manufacturer:* Kratos Analytical, United Kingdom. *Intended Use:* See notice at 62 FR 32766, June 17, 1997.

Comments: None received. *Decision:* Approved. No instrument of equivalent scientific value to the foreign instrument, for such purposes as it is intended to be used, was being manufactured in the United States at the time of purchase (December 19, 1996).

Reasons: The foreign instrument provides magnetic charge equalization for uniform charge compensation across the sample surface. The U.S. Department of Energy advises that (1) this capability is pertinent to the applicant's intended purpose and (2) it knows of no domestic instrument or apparatus of equivalent scientific value to the foreign instrument for the applicant's intended use at the time of purchase.

We know of no other instrument or apparatus of equivalent scientific value to the foreign instrument which is being manufactured in the United States.

Frank W. Creel,

Director, Statutory Import Programs Staff.

[FR Doc. 97–22691 Filed 8–25–97; 8:45 am]

BILLING CODE 3510–DS–P