limit for preliminary and final results of the 1994 administrative review of the countervailing duty order on certain cut-to-length carbon steel plate from Sweden. This extension is made pursuant to the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (hereinafter, ''the Act'').

EFFECTIVE DATE: May 29, 1996.

FOR FURTHER INFORMATION CONTACT: Gayle Longest or Lorenza Olivas, Office of Countervailing Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W. Washington, D.C., 20230; telephone: (202) 482–2786.

POSTPONEMENT: Under the Act, the Department may extend the deadline for completion of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 365 days. The Department finds that it is not practicable to complete the 1994 administrative review of certain cut-to-length carbon steel plate from Sweden within this time limit.

In accordance with section 751(a)(3)(A) of the Act, the Department will extend the time for completion of the preliminary results of this review from a 245-day period to no later than a 365-day period and, thereafter, for completion of the final results of this review from a 120-day period to no later than a 180-day period.

Dated: May 21, 1996.

Roland L. MacDonald,

Acting Deputy Assistant Secretary for Compliance.

[FR Doc. 96–13324 Filed 5–28–96; 8:45 am]

BILLING CODE 3510–DS–P

[C–533–063]

Certain Iron-Metal Castings From India; Extension of Time Limit for Countervailing Duty Administrative Review

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

ACTION: Notice of Extension of Time Limit for Countervailing Duty Administrative Review.

SUMMARY: The Department of Commerce (the Department) is extending the time limit for preliminary and final results of the tenth administrative review of the countervailing duty order on certain iron-metal castings from India. This extension is made pursuant to the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (hereinafter, ''the Act'').

EFFECTIVE DATE: May 29, 1996.

FOR FURTHER INFORMATION CONTACT: Christopher Cassel or Lorenza Olivas, Office of Countervailing Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–2786.

POSTPONEMENT: Under the Act, the Department may extend the deadline for completion of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 365 days. See Memorandum to the File dated May 17, 1996. The Department finds that it is not practicable to complete the calendar year 1994 administrative review of certain iron-metal castings from India within this time limit.

In accordance with section 751(a)(3)(A) of the Act, the Department will extend the time for completion of the preliminary results of this review from a 245-day period to no later than a 365-day period and for completion of the final results of this review from a 120-day period to no later than a 180-day period.

Dated: May 20, 1996.

Joseph A. Spetrini,

Deputy Assistant Secretary for Compliance.

[FR Doc. 96–13319 Filed 5–28–96; 8:45 am]

BILLING CODE 3510–DS–M

[C–122–404]

Live Swine From Canada; Notice of Preliminary Results of Countervailing Duty Administrative Reviews; Initiation and Preliminary Results of Changed Circumstances Review and Intent To Revoke Order in Part

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

ACTION: Notice of Preliminary Results of Countervailing Duty Administrative Reviews; Notice of Initiation and Preliminary Results of Changed Circumstances Review and Preliminary Determination to Revoke Order in Part.

SUMMARY: The Department of Commerce (the Department) is conducting three administrative reviews of the countervailing duty order on live swine from Canada. We preliminarily determine the net subsidy to be Can$0.0594 per kilogram for the period April 1, 1991 through March 31, 1992, Can$0.0609 per kilogram for the period April 1, 1992 through March 31, 1993, and Can$0.0099 per kilogram for the period April 1, 1993 through March 31, 1994. If the final results remain the same as these preliminary results of administrative reviews, we will instruct the U.S. Customs Service to assess countervailing duties as indicated above. Interested parties are invited to comment on these preliminary results.

In accordance with 19 C.F.R § 355.22(h)(1)(i), the Department is initiating a changed circumstances countervailing duty administrative review and issuing a preliminary determination of its intent to revoke, in part, the countervailing duty order on live swine from Canada. On December 11, 1995, petitioners requested that the Department revoke the order, in part, as to slaughter sows and boars and weanlings, effective April 1, 1991. Based on the fact that this portion of the order is no longer of interest to domestic parties, we preliminarily determine that this order should be revoked, in part, with respect to slaughter sows and boars and weanlings. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: May 29, 1996.

FOR FURTHER INFORMATION CONTACT: Stephanie Moore or Maria MacKay, Office of Countervailing Compliance, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230; telephone: (202) 482–2786.

SUPPLEMENTARY INFORMATION:

Background

On August 15, 1985, the Department published in the Federal Register (50 FR 32880) the countervailing duty order on live swine from Canada. On August 12, 1992, the Department published a notice of ''Opportunity to Request Administrative Review'' (56 FR 41506) of this countervailing duty order for the period April 1, 1991 through March 31, 1992. We received a timely request for review from the Government of Canada (GOC). Wood Lynn Farms and Pryme Pork Ltd. (Pryme), Canadian exporters of live swine, timely requested an individual administrative review. We initiated the review, covering April 1, 1991 through March 31, 1992, on September 28, 1992 (56 FR 44551).

On August 3, 1993, the Department published a notice of ''Opportunity to Request Administrative Review'' (58 FR 41239) of this countervailing duty order for the period April 1, 1992 through March 31, 1993. We received a timely request for review from the GOC; Pryme also made a timely request for an individual administrative review. We initiated the review, covering April 1, 1992 through March 31, 1993, on September 30, 1993 (58 FR 51053).

On August 3, 1994, the Department published a notice of ''Opportunity to Request Administrative Review'' (59 FR 39543) of this countervailing duty order for the period April 1, 1993 through March 31, 1994. We received a timely request for review from the GOC; Pryme also made a timely request for an individual administrative review. We initiated the review, covering April 1, 1993 through March 31, 1994, on September 16, 1994 (59 FR 47609). These three administrative reviews cover all producers/exporters of the subject merchandise and 46 programs.

On December 11, 1995, petitioners requested the partial revocation of the order on live swine from Canada with respect to slaughter sows and boars and weanlings due to lack of interest, effective April 1, 1991. As a result, the Department is initiating and simultaneously issuing the preliminary results of a changed circumstances review preliminarily determining that the order should be revoked, in part, with respect to slaughter sows and boars and weanlings.

Applicable Statute and Regulations

The Department is conducting these administrative reviews in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Unless otherwise indicated, all citations to the statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994. However, references to the *Department's Countervailing Duties; Notice of Proposed Rulemaking and Request for Public Comments,* 54 FR 23366 (May 31, 1989) (*Proposed Regulations*), are provided solely for further explanation of the Department's countervailing duty practice. Although the Department has withdrawn the particular rulemaking proceeding pursuant to which the *Proposed Regulations* were issued, the subject matter of these regulations is being considered in connection with ongoing rulemaking proceeding which, among other things, is intended to conform the Department's regulations to the Uruguay Round Agreements Act. (See 60 FR 80) (Jan. 3, 1995)).

Scope of Review

The merchandise covered by these administrative reviews is live swine, except U.S. Department of Agriculture certified purebred breeding swine, from Canada. Such merchandise is classifiable under the *Harmonized Tariff Schedule* (HTS) item numbers 0103.91.00 and 0103.92.00. The HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

The merchandise covered by the changed circumstances review are slaughter sows and boars and weanlings (weanlings are swine weighing up to 27 kilograms or 59.5 pounds).

Requests for Administrative Reviews of Individual Exporters

On August 28, 1992, Wood Lynn Farms submitted a timely request under 19 C.F.R 355.22(a)(2) that the Department conduct an administrative review of Wood Lynn Farms' exports of the subject merchandise to the United States for the 1991–92 review period. On August 10, 1993, the Department denied Wood Lynn Farms' request because the certifications it submitted did not comply with the requirements of 19 C.F.R 355.22(a)(2). Specifically, the certifications failed to state that during the period of review no net subsidy was bestowed upon Wood Lynn Farms or its suppliers with respect to the subject merchandise. For further discussion of the Department's position on Wood Lynn Farm's request, see letter from Barbara E. Tillman to Wood Lynn Farms dated August 10, 1993, which is on file in the Central Records Unit (Room B–099 of the Main Commerce Building)(CRU).

On August 31, 1992, Pryme submitted a request under 19 C.F.R 355.22(a)(2) that the Department conduct an administrative review of Pryme's exports of the subject merchandise to the United States for the 1991–92 review period. The Department found Pryme's certifications deficient (*see* letter from Barbara E. Tillman to Pryme Pork, Ltd. dated August 4, 1993, which is on file in the CRU). Subsequently, Pryme clarified its certifications, based on which the Department found that Pryme's request complied with 19 C.F.R. 355.22(a)(2)(*see Memorandum to the File* from Team E regarding the Countervailing Duty Administrative Review on Live Swine from Canada dated August 10, 1995, which is on file in the CRU). Based on Pryme's request, the Department initiated a review of Pryme's entries for the 1991–92 review period.

On August 30, 1993, Pryme submitted its request under 19 C.F.R. 355.22(a)(2) that the Department conduct an administrative review of Pryme's exports of the subject merchandise to the United States for the 1992–93 review period. Since this request was timely and met the provisions of 19 C.F.R. 355.22(a)(2), the Department initiated the review as requested (*see Memorandum on Pryme's Request for an Individual Administrative Review* to Barbara E. Tillman from The Team dated January 18, 1994, which is on file in the CRU).

On August 30, 1994, Pryme submitted a timely request under 19 C.F.R. 355.22(a)(2) that the Department conduct an administrative review of Pryme's exports of the subject merchandise to the United States for the 1993–94 review period. Since this request was timely and met the provisions of 19 C.F.R. 355.22(a)(2), the Department initiated the review as requested.

Pryme has since submitted a letter to the Department indicating that it is withdrawing its request for individual reviews in the 7th, 8th, and 9th reviews if the Department revokes the order with respect to weanlings and sows and boars. Since we are preliminarily determining to revoke the order, in part, with respect to the above products, we are also preliminarily determining to terminate the individual reviews of Pryme in the 7th, 8th, and 9th review periods.

Verification

Pursuant to 19 C.F.R. § 355.36(a)(1), the petitioner requested that the Department conduct a verification of the 1991–92 review period because the Department did not verify all information submitted in the two prior reviews. As provided in section 776(b) of the Act, we verified all information submitted in the 1991–92 review period. We also verified, as required under § 355.22(f) all certifications submitted with the requests for individual reviews in each of the three review periods. In conducting verification, we followed standard verification procedures, including meeting with government and company officials, and examining relevant accounting records and original source documents. Our verification results are outlined in the public versions of the verification reports, which are on file in the CRU.

Calculation Methodology for Assessment and Cash Deposit Purposes

For each review period, we calculated the net subsidy on a country-wide basis by first calculating the subsidy rate for each province subject to the administrative review. We then weight-averaged the rate received by each province using as the weight the province's share of total Canadian exports to the United States of subject merchandise. We then summed the individual provinces' weight-averaged rates to determine the subsidy rate from all programs benefitting exports of the subject merchandise to the United States. In prior proceedings, a separate

rate was calculated for sows and boars and for all other live swine. In these reviews, we are only calculating the rate for all other live swine. The calculation of the rate in these reviews is not affected by the partial revocation of sows and boars and weanlings.

Analysis of Programs

I. Programs Conferring Subsidies

A. Programs Previously Determined to Confer Subsidies

1. Federal Program. Feed Freight Assistance Program. The Feed Freight Assistance Program (FFA) is administered by the Livestock Feed Board of Canada (the Board) under the Livestock Feed Assistance Act of 1966 (LFA). The Board acts to ensure: (1) The availability of feed grain to meet the needs of livestock feeders; (2) the availability of adequate storage space in Eastern Canada to meet the needs of livestock feeders; (3) reasonable stability in the price of feed grain in Eastern Canada to meet the needs of livestock feeders; and (4) equalization of feed grain prices to livestock feeders in Eastern Canada, British Columbia, the Yukon Territory and the Northwest Territories. Although this program is clearly designed to benefit livestock feeders, FFA payments are also made to grain mills that transform the feed grain into livestock feed whenever these mills are the first purchasers of this grain. The Board makes payments related to the cost of feed grain storage in Eastern Canada, and payments related to the cost of feed grain transportation to, or for the benefit of, livestock feeders in Eastern Canada, British Columbia, the Yukon Territory and the Northwest Territories, in accordance with the regulations of the LFA.

In *Live Swine from Canada; Preliminary Results of Countervailing Duty Administrative Review* (55 FR 20613) (May 21, 1990)), and *Live Swine from Canada; Final Results of Countervailing Duty Administrative Review* (56 FR 10410) (March 12, 1991)) (*Swine Second and Third Review Results*), the Department found this program *de jure* specific and thus countervailable because, based on the language of the LFA, benefits are only available to a specific group of enterprises or industries (livestock feeders and feed mills). Subsequently, a U.S.-Canada Free Trade Agreement (FTA) binational panel (*See In the Matter of Live Swine From Canada*, USA–91–1904–04 (June 11, 1993) at 33–36)) affirmed the Department's determination in *Live Swine from Canada; Preliminary Results of Countervailing Duty Administrative Review* (56 FR 29224) (June 26, 1991)), and *Live Swine from Canada; Final Results of Countervailing Duty Administrative Review* (56 FR 50560) (October 7, 1991)) (*Swine Fifth Review Results*), regarding the countervailability of this program. No new information or evidence of changed circumstances has been submitted in this proceeding to warrant reconsideration of this finding.

To determine the FFA benefit in each review period, we used the methodology applied in *Live Swine from Canada; Preliminary Results of Countervailing Duty Administrative Review* (58 FR 54112, 54114) (October 20, 1993)), and *Live Swine from Canada; Final Results of Countervailing Duty Administrative Review* (59 FR 12243) (March 16, 1994)) (*Swine Sixth Review Results*). We first divided the feed transportation assistance to live swine producers in each province by the total weight of live swine produced in that province during the correspondent review period, calculating the benefit per kilogram on a province-by-province basis. We then weight-averaged each exporting province's benefit by that province's share of total Canadian exports of live swine to the United States during the same review period; we then summed the resulting weighted benefits, calculated for each province during the correspondent review period. On this basis, we preliminarily determine the benefits from this program to be less than Can$0.0001 per kilogram for the 1991–92, 1992–93, and 1993–94 review periods.

2. Federal/Provincial Program. (A) National Tripartite Stabilization Scheme for Hogs Background. The National Tripartite Stabilization Program (NTSP) was created in 1985 by an amendment to the Agricultural Stabilization Act (ASA). This amendment, codified at section 10.1 of the ASA, provides for the introduction of cost-sharing tripartite or bipartite stabilization schemes involving the producer, the federal government and the provinces. Pursuant to this amendment, federal and provincial ministers signed NTSP agreements covering specific commodities.

The general terms of the NTSP for Hogs are as follows: all participating hog producers receive the same level of support per market-hog unit; the cost of the scheme is shared equally between the federal government, the provincial government, and the producers, with each government's contribution, federal as well as provincial, capped at 3 percent of the aggregate market value; producer participation in the scheme is voluntary; the provinces may not offer separate stabilization plans or other *ad hoc* assistance for hogs (with the exception of Québec's FISI program); the federal government may not offer compensation to swine producers in a province not party to an agreement; and the scheme must operate at a level that limits losses but does not stimulate over-production.

Stabilization payments are made when the market price falls below the calculated support price. The difference between the support price and the average market price is the amount of the stabilization payment. Hogs eligible for stabilization payments under NTSP must index above 80 on a hog carcass grading scale.

In *Swine Fifth Review Results* (56 FR 29225), the Department determined that NTSP was *de facto* specific because benefits were being provided to a specific enterprise or industry or group thereof. The binational panel, in its August 26, 1992 decision, affirmed the Department's determination (USA–91–1904–04). *See,* also, *Swine Sixth Review Results* (58 FR 54115).

Integral Linkage Allegation. In the questionnaire response in the 1991–92 review, the GOC submitted new facts pertaining to NTSP, based on which the GOC argues that NTSP is no longer specific. As of April 1, 1991, all NTSP Agreements were brought under the statutory authority of the Farm Income Protection Act (FIPA), designed to cover all agricultural products. FIPA is an agricultural income stabilization act which covers four programs: (1) national tripartite stabilization programs (NTSPs), (2) net income stabilization accounts (NISA), (3) gross revenue insurance program (GRIP), and (4) crop insurance (CI). FIPA unifies all federal-level income stabilization initiatives for farmers under a single statute; it incorporates key concepts from existing programs and integrates them into a new system. As part of this process, the Crop Insurance Act, the Agricultural Stabilization Act (ASA), and the Western Grain Stabilization Act were repealed.

(1) NTSP

NTSP provides insurance coverage against market-price fluctuations for designated commodities. Income stabilization payments are triggered when the market price falls below a calculated support price. This program, thus, moderates the economic effects of losses to farmer's income due to short-term market fluctuations.

(2) NISA

NISA is designed to stabilize an individual farm's overall financial performance through a voluntary savings plan. The participant is required to enroll all eligible commodities grown on the farm. Farmers may then deposit a portion of their net sales of eligible NISA commodities (up to two percent of net eligible sales) into individual savings accounts, receive matching government deposits (up to one percent of net sales from both the provincial and the federal governments), and make additional, non-matchable deposits (up to 20 percent of net sales).

NISA provides stabilization assistance on a ''whole farm'' basis. A producer can withdraw funds from a NISA account when the gross profit margin from the entire farming operation falls below an historical average, based on the previous five years. If poor market performance of some products is offset by increased revenues from others, no withdrawal is triggered.

(3) GRIP

GRIP is a voluntary plan offering farmers revenue insurance protection or revenue insurance combined with crop insurance protection. Under GRIP, producers must register their total production of all eligible crops whether they select the revenue insurance protection component of GRIP or the combined revenue insurance and crop insurance protection. Premiums are shared by farmers and the provincial and federal governments. Payouts are triggered when market revenue or yield of any of the covered crops falls below certain historical levels. GRIP's revenue insurance protection component provides for full offsets between yield and price; for example, if a producer received a crop price below the reference value, but produced a higher-than-average yield, no insurance payment would be triggered to the extent that the extra revenue earned from the extra yield offsets the lower price.

(4) Crop Insurance

The crop insurance component of FIPA stabilizes a farmer's income by moderating the economic effects of crop losses caused by natural events. The producers and the governments (federal and provincial) share the payment of the premiums. Payouts are based on a farmer's average crop yield and are triggered when a farmer suffers a yield loss due to a covered hazard.

The GOC argued that for specificity purposes the Department should examine NTSP, NISA, GRIP and CI under FIPA as one program that established a (1) common policy of offering income stabilization on equal terms throughout the country, (2) common administration by the provinces, Agriculture Canada, and through interlocking national committees, and (3) tripartite funding (funds contributed by the federal government, provincial governments and producers). The GOC further argued that FIPA covers a substantial proportion of Canadian producers of agricultural commodities.

The Department examined the information submitted by the GOC on the FIPA legislation, the agreements establishing the programs covered by FIPA, the types of benefits provided by the programs and previous determinations in similar cases. Although FIPA provides the statutory authority for the various separate programs, the federal/provincial agreements that established NISA and GRIP retain substantial discretion, while NTSP and crop insurance predated FIPA itself. Therefore, the Department preliminarily found it more appropriate to examine the NTSP, NISA, GRIP, and CI as separate programs. *See Memorandum on Farm Income Protection Act,* to Barbara E. Tillman from CVD team dated April 13, 1994, which is on file in the CRU.

The GOC also alleged that if the Department determines that NTSP, NISA, GRIP and CI under FIPA do not constitute one program, then the Department should find NTSP, NISA, GRIP and CI integrally linked within the meaning of section 355.43(b)(6) of the Department's *Proposed Regulations.*

Integral Linkage Analysis and Preliminary Determination. Section 355.43(b)(6) of the *Proposed Regulations* sets forth the criteria that the Department examines, among others, in determining whether programs are integrally linked:

- The purposes of the programs as stated in their enabling legislation;
- The administration of the programs;
- Evidence of a government policy to treat industries equally; and
- The manner of funding the programs.

First, to examine whether the purpose of NTSP is similar to the purpose of the other programs, we analyzed whether basically the same type of assistance is being provided to distinct users. We preliminarily find that the purposes of the programs are different, with NTSP providing coverage against market price fluctuations; NISA stabilizing the farmer's net income fluctuations; GRIP providing coverage against market price fluctuations and weather-related disasters, and CI provides coverage against weather-related disasters.

Second, in examining the administration of the programs, we preliminarily find that although the GOC and the provincial governments participate in the administration of each of the programs, there are clear differences in the manner in which the programs are administered. For instance, NTSP and NISA are federally administered, because it is more efficient to centralize the management of these programs in order to administer them uniformly throughout Canada. On the other hand, it was more efficient to grant provincial governments substantially heavier administrative responsibilities for crop insurance under GRIP and CI, because provincial governments are in a position to provide faster relief to farmers in the event of a weather-related disaster. (Questionnaire response dated June 23, 1993, I–42.)

Third, our analysis of the information submitted on the record regarding the government's policy to treat industries equally yielded inconclusive results, because the diversity of the programs did not allow for a comparison of benefits on a commodity by commodity basis. In fact, the four programs are structured to meet different purposes (insurance programs versus savings plan), are designed to cover different types of risks, and involve government participation of unequal proportional amounts. As a result, it is not possible to ascertain whether or not there is evidence of a government policy to treat industries equally.

Finally, although the funding for the four programs is provided by the same three sources, the federal and provincial governments and the producers, there are two distinct funding mechanisms. Under NISA, the GOC and the provincial government provide matching funds to the farmers who may make annual deposits up to 2 percent of eligible net sales. The other three programs are premium-funded insurance programs, in which producers and provincial and federal governments share the payment of the premiums. Moreover, the shares of the premiums funded by each source are different under the three programs. Under NTSP, the producer and the federal and provincial governments each contribute 33.3 percent. Under GRIP, the producers contribute 33.3 percent, the provincial government 25 percent, and the federal government 41.67 percent. On the other hand, for crop insurance, the producer contributes 50 percent and the federal and provincial governments contribute the remaining 50 percent equally.

As a result of our analysis, we preliminarily determine that the NTSP, NISA, GRIP and CI are not integrally linked. For a further discussion, *see Decision Memorandum on Farm Income Protection Act—Integral Linkage,* to

Paul L. Joffe from The Team dated May 15, 1996, which is on file in the CRU. Therefore, we preliminarily determine to continue to review NTSP as a separate program. We also examined the specificity of the NISA program because the petitioners alleged that its farm-fed provision allows farmers to make a deposit on the grain that is fed to their livestock, which can benefit live swine. For further discussion of the NISA program, see section II(B) of this notice.

Determination of Benefit from NTSP. In *Swine Sixth Review Results* (58 FR 54115) and (59 FR 12246), we determined NTSP to be de facto specific, and thus countervailable. No new information or evidence of changed circumstances has been submitted in these reviews, which would warrant reconsideration of this finding. The information on the record shows that the terms of the NTSP agreement on hogs did not change during the periods currently under review. During the 1991–92 and 1992–93 review periods, payouts for hogs were made under this program in each of the nine signatory provinces. There were no NTSP payments made to hog producers during the 1993–94 review period.

To calculate the benefit, we used the methodology applied in *Swine Sixth Review Results* (58 FR 54117). We first divided two-thirds of the stabilization payments (representing the federal and provincial contributions) made to producers in each province in each review period by the total weight of live swine produced in that province during the same review period, and calculated a benefit per kilogram on a province-by-province basis. We then weight-averaged each exporting province's per-kilo benefit by that province's share of total Canadian exports of live swine to the United States during the corresponding review period. We then added the weight-averaged benefits of all exporting provinces to calculate the average benefit per kilogram. On this basis, we preliminarily determine the benefit from this program to be Can$0.0508 per kilogram for the 1991–92 review period, Can$0.0578 for the 1992–93 review period, and zero for the 1993–94 review period.

3. Provincial Income Stabilization Programs. (A) Québec Farm Income Stabilization Insurance Program (FISI).

Background. FISI was established in 1976 under the ''Loi sur l'assurance-stabilisation des revenus agricoles.'' The program is administered by the Régie des Assurances Agricoles du Québec (Régie). The purpose of the program is to guarantee a positive net annual income to participants whose income is lower than the stabilized net annual income. Since Québec joined the federal government's NTSP for Hogs in February 1989, the FISI scheme for hogs has been covering only the difference between payments made under the NTSP for Hogs and what FISI payments would have been in the absence of the NTSP. FISI is the only provincial stabilization scheme that continues to operate in conjunction with the NTSP for Hogs. There are two FISI schemes which provide payments to the subject merchandise, the FISI scheme for Hogs and the FISI scheme for Piglets.

Two-thirds of the funding for the FISI program is provided by the provincial government and one-third by producer assessments. Participation in FISI is voluntary. However, once enrolled in the program, a producer must make a five-year commitment. Each farmer may insure a maximum of 5,000 feeder hogs and 400 sows. Whenever the balance in the FISI account is insufficient to make payments to participants, the provincial government lends the needed funds to the program at market rates. The principal and interest on these loans are repaid by the Régie using the producer and provincial contributions.

Integral Linkage Allegation. In the 1991–92 administrative review, the GOQ alleged that the FISI program is integrally linked to the crop insurance program. The GOQ also alleged that because the federal supply management programs are related in purpose and effect to these two provincial programs, the supply management program is integrally linked to FISI and crop insurance within the meaning of § 355.43(b)(1)(6).

Integral Linkage Analysis and Preliminary Determination. We conducted this analysis in accordance with the criteria set forth in section 355.43(b)(6) of the *Proposed Regulations,* and listed in the NTSP section of this notice. In our analysis of the first factor, we begin by reviewing the purpose of each program and then we examine whether the purpose of FISI is similar to the purpose of crop insurance and supply management. We preliminarily find that the purposes of the programs are different. FISI insures against market price fluctuations; crop insurance provides coverage against weather-related disasters; and supply management programs prevent fluctuations in the market price of covered commodities by regulating their supplies.

Second, in examining the administration of the programs, we preliminarily find that many of the procedures for enrolling in and receiving insurance payments under FISI and crop insurance are similar. However, because FISI and crop insurance have distinct purposes, the timing of the benefits is different. On the other hand, the supply management programs operate at both the national and provincial levels because total cooperation from producers of the commodity in all provinces is necessary to manage the supply of a commodity on the market. In addition, the supply management programs are administered independently from the agency that administers the FISI and the crop insurance programs.

Third, our analysis of the information submitted on the record regarding the government's policy to treat industries equally yielded inconclusive results. The actuarial study which the GOQ argued shows equal treatment among users of FISI and crop insurance was not sufficiently detailed to support this conclusion with respect to the subject merchandise.

Finally, regarding the manner of funding, we preliminarily find that the funding for the three programs is different. FISI and crop insurance are funded by premium payments shared between the producer and the GOQ; supply management is funded by producer levies only.

As a result of our analysis, we preliminarily determine that the FISI, crop insurance and supply management programs are not integrally linked. For a further discussion, *see Decision Memorandum on Farm Income Stabilization Insurance—Integral Linkage* to Paul L. Joffe from The Team, dated May 15, 1996, which is on file in the CRU. Therefore, we preliminarily determine to continue to review FISI as a separate program.

In *Swine Sixth Review Results* (58 FR 54117), we determined FISI to be *de facto* specific, and thus countervailable. No new information or evidence of changed circumstances has been submitted in these reviews, which would warrant reconsideration of this finding.

To calculate the benefit, we used the methodology applied in *Swine Sixth Review Results* (58 FR 54118). We multiplied the total payments made under both the piglet and feeder hog schemes during each review period by two-thirds (representing the provincial contribution). We divided this amount by the total weight of live swine produced in Québec during the same review period to get the average benefit per kilogram. We then weight-averaged the benefit by Québec's share of total Canadian exports of live swine to the United States during the corresponding review period. On this basis, we preliminarily determine the benefit from this program to be Can$0.0050 per kilogram for the 1991–92 review period, Can$0.0001 per kilogram for the 1992–93 review period, and Can$0.0002 per kilogram for the 1993–94 review period.

(B) *British Columbia Farm Income Insurance Program* (FIIP). The FIIP was established in 1979 in accordance with the Farm Income Insurance Act of 1973 (Farm Act) in order to assure income to farmers when commodity market prices fluctuate below the basic costs of production. Schedule B of the Farm Act lists the guidelines for the individual commodities receiving benefits; Schedule B section 4 is the guideline for swine producers.

The program is administered by the provincial Ministry of Agriculture and Food and the British Columbia Federation of Agriculture, and is funded equally by producers and the provincial government. Premiums are paid in all quarters regardless of market returns.

In *Swine Second and Third Review Results* (55 FR 20615), the Department found this program to be countervailable because the program is limited to producers of commodities listed in Schedule B, a specific group of enterprises or industries. No new information or evidence of changed circumstances has been submitted in these proceedings to warrant reconsideration of this finding.

British Columbia did not export live swine to the United States during the 1991–92 period. However, British Columbia exported live swine to the United States during the 1992–93 and 1993–94 review periods. Since the government of British Columbia funds one-half of this program, we calculated the benefit for these review periods by dividing one-half of the total stabilization payments in each review period by the total weight of live swine produced in British Columbia during the same period. We then weight-averaged the result by British Columbia's share of total exports of live swine to the United States during the same review period. On this basis, we preliminarily determine the benefit from this program to be less than Can$0.0001 per kilogram for the 1992–93 review period and Can$0.0004 per kilogram for the 1993–94 review period.

(C) *Saskatchewan Hog Assured Returns Program* (SHARP). SHARP was established in 1976, pursuant to the Saskatchewan Agricultural Returns Stabilization Act which authorized provincial governments to establish stabilization plans for any agricultural commodity. SHARP provided income stabilization payments to hog producers in Saskatchewan when market prices fell below a designated ''floor price'', calculated quarterly. The program was administered by the Saskatchewan Pork Producers' Marketing Board (the Board) on behalf of the Saskatchewan Department of Agriculture. The program was funded by levies from participating producers on the sale of hogs covered by the program; they ranged from 1.5 to 4.5 percent of market returns and were matched by the provincial government. When the balance in the SHARP account was insufficient to cover payments to producers, the provincial government provided financing on commercial terms. The principal and interest on these loans was to be repaid by the Board from the producer and provincial contributions. After the NTSP for Hogs was implemented on July 1, 1986, SHARP payments were reduced by the amount of the NTSP payments.

In *Swine First Review Results* (53 FR 22192), the Department found the SHARP program to be *de jure* specific, and thus countervailable, because the legislation expressly made the program available only to a single industry (hog producers). No new information or evidence of changed circumstances was submitted in the 1991–92 and 1992–93 review periods to warrant reconsideration of these findings.

In accordance with the NTSP agreement, SHARP was terminated on March 31, 1991. At the time of termination, the SHARP fund had a sizeable deficit because of the cumulation over the operating years of loans from the provincial government. In *Swine Sixth Review Results* (58 FR 54118), the Department found that interest on the loans had stopped accruing on October 31, 1989. The Department determined that interest not accruing on the outstanding loan balance constituted a residual benefit to live swine producers.

To determine the benefit for the 1991–92 review period, we used the methodology applied in Swine Sixth Review Results (59 FR 12260). Since the government of Saskatchewan provided half of the funds of the SHARP program, we calculated the benefit for this review period by multiplying half of the outstanding principal amount at the end of the review period by the benchmark interest rate. We used, as our benchmark interest rate, the simple average of the monthly rates (for the review period) reported as ''Typical Short-Term Interest Rates'' in Canada in the *Financial Statistics Monthly,* published by the Organization for Economic Cooperation and Development (OECD). We selected this benchmark because the interest rates provided in the questionnaire response pertained to years prior to 1991 and were therefore inappropriate as benchmarks for loans provided during the review period. We selected a short-term rate because the duration of these loans was uncertain, since no indication was provided by respondents on the final disposition of these loans. Next, we divided the amount thus obtained by the total weight of live swine produced in Saskatchewan during the review period. We then weight-averaged the benefit by Saskatchewan's share of total Canadian exports of live swine to the United States during the review period. On this basis, we preliminarily determine the benefit to be Can$0.0009 per kilogram for the 1991–92 review period.

To calculate the benefit from the outstanding loans during the 1992–93 review period, we followed the methodology outlined above. However, during the 1992–93 review period, live swine producers also received residual stabilization payments. The residual payments were due to live swine producers as of the 1991–92 fiscal year, but were paid during the 1992–93 fiscal year. Because the residual payments are co-funded by the government, we divided the total payment amount by two, and added the result to the interest amount calculated on the outstanding loans. We thus obtained the full benefit to swine producers during the review period. On this basis, we preliminarily determine the benefit to be Can$0.0006 per kilogram for the 1992–93 review period.

During the 1993–94 review period, the government canceled the outstanding SHARP deficit. To calculate the benefit from the loan forgiveness, we treated one-half of the amount written off as a grant in accordance with section 355.49 (b)(1) of the *Proposed Regulations*. We took into account only half of the amount because this was the share of the outstanding loans that the producers were responsible for repaying.

The Department's policy with respect to grants is (1) to expense recurring grants in the year of receipt or (2) to allocate non-recurring grants over the average useful life of assets in the industry, unless the sum of grants provided under a particular program is less than 0.50 percent of a firm's total or export sales (depending on whether the program is a domestic or export subsidy) in the year in which the grants were received. (See section 355.49(a) of the *Proposed Regulations* and the *General Issues Appendix*, at 37226, which is attached to the *Final Countervailing Duty Determination; Certain Steel Products from Austria* (58

FR 37217, 37226)) (General Issues Appendix).

The Department considers a grant non-recurring when the benefits are exceptional, the recipient cannot expect to receive benefits on an ongoing basis from year to year, and/or the provision of funds by the government must be approved every year. The Department has preliminarily determined that the write-off of the SHARP deficit is a non-recurring grant because debt forgiveness is exceptional, and it is a one-time event. On this basis, we allocated the benefit from this grant over three years, which is the average useful life of depreciable assets used in the swine industry, as set out in the U.S. Internal Revenue Service Class Life Asset Depreciation Range System. We used, as a discount rate, the simple average of the quarterly medium-term government bond rates (for the review period) from the *International Financial Statistics*, published by the International Monetary Fund. Next, we divided the benefit allocated to the period by the total weight of live swine produced in Saskatchewan during the review period to obtain the average benefit per kilogram. We then weight-averaged the per-kilogram benefit by Saskatchewan's share of total Canadian exports of live swine to the United States during the same review period. On this basis, we preliminarily determine the benefit to be Can$0.0051 per kilogram for the 1993–94 review period. Since residual benefits from this program will continue, we will continue to examine this program in any future administrative reviews.

4. *Other Provincial Programs.* (A) Alberta Crow Benefit Offset Program (ACBOP). This program, administered by the Alberta Department of Agriculture, is designed to compensate producers and users of feed grain for market distortions in feed grain prices, created by the federal government's policy on grain transportation. Assistance is provided for feed grain produced in Alberta, feed grain produced outside Alberta but sold in Alberta, and feed grain produced in Alberta to be fed to livestock on the same farm. The government provides ''A'' certificates to registered feed grain users and ''B'' certificates to registered feed grain merchants to use as partial payments for grain purchased from grain producers. Feed grain producers who feed their grain to their own livestock submit a Farm Fed Claim directly to the government for payment.

Hog producers receive benefits in one of three ways: hog producers who do not grow any of their own feed grain receive ''A'' certificates which are used to cover part of the cost of purchasing grain; hog producers who grow all of their own grain submit a Farm Fed Claim to the government of Alberta for direct payment; and hog producers who grow part of their own grain but also purchase grain receive both ''A'' certificates and direct payments.

In *Swine Second and Third Review Results* (56 FR 10412), the Department found this program to be *de jure* specific, and thus countervailable, because the legislation expressly makes it available only to a specific group of enterprises or industries (producers and users of feed grain). No new information or evidence of changed circumstances has been submitted in these proceedings to warrant reconsideration of this finding.

To determine the benefit to swine producers from this program, we followed the methodology used in calculating ACBOP benefits in our redetermination on remand in the U.S.-Canada Binational Panel proceedings on the 1989–1990 (fifth) review period. *In the Matter of Live Swine from Canada*, USA–91–1904–04 (June 11, 1993) at 33–36. However, we further improved on this methodology by using more accurate information submitted in the 1991–92 questionnaire response. *See* also the verification report at 31–32, which is available in CRU.

Thus, we calculated the benefit from this program as follows. Using the Alberta *Supply and Disposition Tables,* we first estimated the quantity of grain consumed by livestock in Alberta during the correspondent review period. Then, we multiplied the number of swine produced in Alberta during the same review period by the estimated average grain consumption per hog, and divided the result by the amount of total grains used to feed livestock during the review period. We thus calculated the percentage of total livestock consumption of all grains in Alberta attributable to live swine during the corresponding review period. We then multiplied this percentage by the total value of ''A'' certificates and farm-fed claim payments received by producers during the same review period. We divided this amount by the total weight of live swine produced in Alberta during the same review period. We then weight-averaged this per-kilo benefit by Alberta's share of total Canadian exports of live swine to the United States during the corresponding review period. On this basis, we preliminarily determine the benefit to be Can$0.0023 per kilogram for the 1991–92 review period, Can$0.0019 per kilogram for the 1992–93 review period, and Can$0.0017 per kilogram for the 1993–94 review period.

(B) Alberta Livestock and Beeyard Compensation Program (Livestock Predator Compensation Sub-program). This program compensates Alberta livestock producers for losses of food-producing livestock, including cattle, sheep, hogs, goats, rabbits and poultry, to predators. The Alberta Department of Agriculture administers this program, and provides assistance in the form of grants, compensating farmers for up to 100 percent of the value of the depredated livestock.

In *Swine Fifth Review Results* (56 FR 29227), the Department found this program to be *de jure* specific and thus countervailable because the legislation expressly makes it available only to a specific group of enterprises or industries (livestock farmers). No new information or evidence of changed circumstances has been submitted in these proceedings to warrant reconsideration of this finding.

To calculate the benefit, we used the methodology applied in *Swine Sixth Review Results* (58 FR 54119). We divided the total payments to hog producers during each review period by the total weight of live swine produced in Alberta during the same review period. We then weight-averaged the result by Alberta's share of Canadian exports of live swine to the United States during the same review period. On this basis, we preliminarily determine the benefit from this program to be less than Can$0.0001 per kilogram for the 1991–92, 1992–93, and 1993–94 review periods.

(C) Ontario Rabies Indemnification Program. This program, administered by the Farm Assistance Branch of the Ontario Ministry of Agriculture and Food, and Rural Affairs compensates livestock producers, including producers of cattle, horses, sheep, swine, and goats, for damage caused by rabies. Producers apply for compensation through a federal inspector, who determines that the animal is rabid and must be destroyed. Farmers receive a maximum of Can$100 per hog under this program.

In *Swine Fifth Review Results* (56 FR 29228), the Department found this program to be *de jure* specific, and thus countervailable, because the program's legislation expressly makes it available only to livestock producers. No new information or evidence of changed circumstances has been submitted in these proceedings to warrant reconsideration of this finding.

To calculate the benefit, we used the methodology applied in *Swine Sixth Review Results* (58 FR 54120). We divided the total payments to swine producers during each review period by the total weight of live swine produced in Ontario during the same review period. We then weight-averaged the result by Ontario's share of total Canadian exports of live swine to the United States during the same review period. On this basis, we preliminarily determine the benefits from this program to be less than Can$0.0001 per kilogram for the 1991–92, 1992–93, and 1993–94 review periods.

(D) Ontario Livestock and Poultry and Honeybee Compensation Program. This program, administered by the Farm Assistance Programs Branch of the Ontario Ministry of Agriculture, Food, and Rural Affairs, provides assistance in the form of grants which compensate producers for livestock and poultry injured or killed by wolves, coyotes, or dogs. Swine producers apply for and receive compensation through the local municipal government. The Ontario Ministry of Agriculture, Food, and Rural Affairs reimburses the municipality.

In *Swine Fifth Review Results* (56 FR 29227), the Department found this program to be *de jure* specific, and thus countervailable, because the legislation expressly makes it available only to a specific group of enterprises or industries (livestock and poultry farmers). No new information or evidence of changed circumstances has been submitted in these proceedings to warrant reconsideration of this finding.

To calculate the benefit, we used the methodology applied in *Swine Sixth Review Results* (58 FR 54119). We divided the total payment to hog producers during each review period by the total weight of live swine produced in Ontario during the same review period. We then weight-averaged the result by Ontario's share of Canadian exports of live swine to the United Stated during the same review period. On this basis, we preliminarily determine the benefits from this program to be less than Can$0.0001 per kilogram for the 1991–92, and 1993–94 review periods.

(E) Saskatchewan Livestock Investment Tax Credit. Saskatchewan's 1984 Livestock Tax Credit Act provides tax credits to individuals, partnerships, and corporations residents in Saskatchewan on livestock raised in Saskatchewan that were marketed or slaughtered by December 31, 1989. Claimants had to be residents of Saskatchewan, paying Saskatchewan income taxes. Eligible claimants received credits of Can$3 for each hog. Although this program was terminated on December 31, 1989, tax credits are carried forward for up to seven years. In *Swine First Review Results* (53 FR 22198), the Department found this program to be *de jure* specific, and thus countervailable, because the program's legislation expressly made it available only to livestock producers. No new information or evidence of changed circumstances has been submitted in these proceedings to warrant reconsideration of this finding.

To calculate the benefit, we used the methodology applied in *Swine Sixth Review Results* (58 FR 54120). In the questionnaire responses, the GOC provided estimates of the amount of tax credits used by hog producers in Saskatchewan in each review period, since the actual amounts are unavailable. At verification, we reviewed the methodology used to calculate these estimates and found it reasonable and consistent with that used in prior reviews. (See *Verification Report* dated June 8, 1994, p. 24). We divided this amount by the total weight of live swine produced in Saskatchewan during each review period. We then weight-averaged the result by Saskatchewan's share of total exports of live swine to the United States during the same review period. On this basis, we preliminarily determine the benefit from this program to be Can$0.0002 per kilogram for the 1991–92, 1992–93, and 1993–94 review periods.

(F) Saskatchewan Livestock Facilities Tax Credit Program. This program, which was terminated on December 31, 1989, provided tax credits to livestock producers based on their investments in livestock production facilities. The tax credits can only be used to offset provincial taxes and may be carried forward for up to seven years. Livestock covered by this program includes cattle, horses, sheep, swine, goats, poultry, bees, fur-bearing animals raised in captivity, or any other designated animals; it can be raised for either breeding or slaughter. Investments covered under the program include new buildings, improvements to existing livestock facilities, and any stationary equipment related to livestock facilities. The program pays 15 percent of 95 percent of project costs, or 14.25 percent of total costs.

In *Swine Second and Third Review Results* (55 FR 20610), the Department found this program to be *de jure* specific, and thus countervailable, because the program's legislation expressly made it available only to livestock producers. No new information or evidence of changed circumstances has been submitted in these proceedings to warrant reconsideration of this finding.

To calculate the benefit, we used the methodology applied in *Swine Sixth Review Results* (58 FR 54120). In the questionnaire responses, the GOC provided estimates of the amount of tax credits used by hog producers in Saskatchewan, for each review period, since the actual amounts are unavailable. At verification, we reviewed the methodology used to calculate these estimates and found it reasonable and consistent with that used in prior reviews. (See *Verification Report* dated June 8, 1994, p. 24). We divided each amount by the total weight of live swine produced in Saskatchewan during the correspondent review period. We then weight-averaged the result by Saskatchewan's share of total exports of live swine to the United States during the same period. On this basis, we preliminarily determine the benefit from this program to be Can$0.0001 per kilogram for the 1991–92, 1992–93, and 1993–94 review periods.

B. Programs Preliminarily Found to Confer Subsidies

1. Provincial Programs. (A) Saskatchewan Interim Red Meat Production Equalization Program. In the 1992–93 administrative review, the Department received a timely allegation from the petitioner stating that this program may provide benefits to live swine producers in Canada. The Department initiated an investigation of the program and verified the information provided in the questionnaire response. *See Memorandum on New Allegations of Canadian Subsidy Programs*, to Barbara E. Tillman from The Team dated February 18, 1994, which is on file in the CRU.

The Saskatchewan Interim Red Meat Production Equalization Program (IRMPEP), administered by the Saskatchewan Department of Agriculture and Food, was established by the Government of Saskatchewan (GOS) in November 1992. IRMPEP provides grants to livestock producers who raise and feed their livestock in Saskatchewan. In order to qualify for IRMPEP, producers must have sold a minimum number of the eligible livestock which includes steers, heifers and virgin bulls, cull cows, hogs, lambs, kid goats, and horses. Once the minimum number of eligible livestock has been sold, the producer fills out an application and, if the criteria are met, is automatically eligible to receive grants under this program.

Because the program's legislation expressly limits its availability to a specific group of enterprises or industries (livestock producers), we preliminarily determine that benefits from this program are *de jure* specific, and thus countervailable. *See Decision*

Memorandum on the Saskatchewan Interim Red Meat Production Equalization Program, to Paul L. Joffe from The Team dated May 15, 1996, which is on file in the CRU.

The Department has preliminarily determined that these grants are recurring because the recipient can expect to receive benefits on an ongoing basis from review period to review period. (*See General Issues Appendix* (58 FR at 37226)). Therefore, to calculate the benefit, we have allocated the amounts of the grants to the year of receipt. Consequently, we divided the amount of IRMPEP grants to live swine producers for the 1992–93 and for the 1993–94 review periods, by the total weight of live swine produced in Saskatchewan in the correspondent review period. We then weight-averaged the result by Saskatchewan's share of total exports of live swine to the United States during the same review period. On this basis, we preliminarily determine the benefit from this program to be Can$0.0002 per kilogram for the 1992–93 review period, and Can$0.0021 for the 1993–94 review period.

(B) Ontario Export Sales Aid Program. The Ontario Export Sales Aid Program was established in 1987 to assist producers and processors of Ontario agricultural and food products to develop their export markets. It was not used in prior reviews. It was used in the 1991–92 and 1993–94 review periods; it was not used during the 1992–93 review period.

The Ontario Export Sales Aid Program is administered by the Ontario Ministry of Agriculture, Food and Rural Affairs which reimburses producers or processors for the costs they incur in developing their export marketing materials. Grants are made on a per-project basis, limited to two projects per producer or company, per fiscal year. The Ministry provides reimbursements for up to 50 percent of the project costs, with a maximum dollar amount. Producers submit a completed application form outlining the objectives of the market development plan, anticipated costs, and forecasted benefits to a review committee for approval. Upon approval, the producer or company receives the grant and initiates the project.

Because receipt of benefits from this program is contingent upon actual or anticipated exportation, the Department preliminarily determines this program to be a countervailable export subsidy. The benefits under this program are provided in the form of grants for specific projects. Assistance is provided on a project-specific basis, and approved by a review committee (with no repeat projects allowed). Therefore, the Department has preliminarily determined that these are non-recurring grants because the recipient cannot expect to receive benefits on an ongoing basis from review period to review period. *See Decision Memorandum on the Ontario Export Sales Aid Program,* to Paul L. Joffe from The Team dated May 15, 1996, which is on file in the CRU. However, because the amount received by live swine producers in both review periods is less than 0.50 percent of the value of live swine exports from this province, we are allocating the benefit to the year of receipt. (*See General Issues Appendix* (58 FR at 37226)).

To calculate the benefit received in the 1991–92 and the 1993–94 review periods, we divided the total grant amount in the correspondent review period by the total weight of live swine produced in Ontario in the same review period. We then weight-averaged the result by Ontario's share of total exports of live swine to the United States during the same review period. On this basis, we preliminarily determine the benefit from this program to be less than Can$0.0001 per kilogram for the 1991–92, and 1993–94 review periods.

II. Programs Preliminarily Found Not To Confer Subsidies

(1) Federal/Provincial Programs

(A) Canada/British Columbia Agri-Food Regional Development Subsidiary Agreement Canada/Manitoba Agri-Food Development Agreement Canada/Québec Subsidiary Agreement on Agri-Food Development. On July 25, 1985, the GOC and British Columbia signed an agreement to promote agricultural development cooperation between the two governments. The objectives of this agreement are to improve the competitiveness of the agri-food industry in British Columbia, increase economic output and employment opportunities in the industry, and conserve and improve the province's agricultural resources. Under this agreement, the federal and provincial governments share funding for projects in the following areas: (1) Productivity enhancement, (2) resource development, and (3) commodity development.

On May 30, 1984, the GOC and Manitoba signed an agreement to support research programs for the development of agriculture. Under this agreement, the federal and provincial governments share funding for research in the following areas: (1) Enhanced agricultural productivity, (2) enhanced soil and water resource management, (3) human resources management, and (4) analysis, evaluation, and public relations.

On December 14, 1984, the GOC entered into an Economic and Regional Development Agreement with the Province of Québec. Under this agreement, the federal and provincial governments share the funding of projects in the following areas: (1) Research and development, (2) technological innovations and new initiatives, and (3) soil conservation and improvement.

The Department has examined these three programs, focusing its inquiry on the public availability of the results of swine-related projects. After finding that the results of the projects funded by these programs were made publicly available, the Department has preliminarily determined in each review that the programs provided no countervailable benefit to producers of live swine in accordance with section 355.44(l) of the *Proposed Regulations,* which states that ''assistance provided by a government to a firm in order to finance research and development does not confer a countervailable benefit where the Secretary determines that the results of such research and development have been, or will be, made available to the public, including competitors of the firm in the United States.''

(B) NISA. In the 1991–92 administrative review the National Pork Producers Council, petitioner, alleged that the farm-fed grain provision of NISA constitutes a countervailable benefit to hog producers who grow grains. The farm-fed grain provision of NISA is an administrative mechanism that ensures that farm-fed grains are offered the same coverage under that program as marketed grains. Without this provision, NISA's method of calculating deposit entitlements would exclude grains that are fed ''on farms'' rather than sold. To provide coverage to farm-fed grains, NISA treats fixed portions of a farmer's net sales of cattle, calves, swine, sheep, and lambs, which are not covered under NISA, as sales of covered products, i.e., as sales of the grain the animals were fed.

In the instant case, the relevant program is NISA. The farm-fed provisions of that program are an administrative mechanism to deal with special circumstances concerning one of the numerous eligible products under that program. Livestock producers, including hog producers, who also produce NISA-eligible products may receive benefits under NISA regardless of whether they utilize the farm-fed grain provisions. Thus, any benefits received under NISA are countervailable only if NISA is specific.

In order to determine the specificity of NISA to ascertain whether the benefits provided to hog producers under its farm-fed provision are countervailable, the Department's *Proposed Regulations* at section 355.43(b)(2) direct us to examine four factors, among others:

(i) The extent to which a government acts to limit the availability of a program;

(ii) The number of enterprises, industries, or groups thereof that actually use a program;

(iii) Whether there are dominant users of a program, or whether certain enterprises, industries, or groups thereof receive disproportionately large benefits, under a program; and

(iv) The extent to which a government exercises discretion in conferring benefits under a program.

In analyzing the first factor, we preliminarily find that NISA's enabling legislation is *de jure* not specific based on its stated purpose to cover all agricultural products. Section 355.43(b)(8) of the *Proposed Regulations* does not regard a program as being specific solely because the program is limited to the agricultural sector. However, section 771(5)(B) of the Tariff Act of 1930, as amended, states that ''[n]ominal general availability, under the terms of the law, * * * of the benefits thereunder is not a basis for determining that the bounty, grant, or subsidy is not, or has not been, in fact provided to a specific enterprise or industry, or group thereof''; thus, we turn to our *de facto* specificity analysis. The second factor, the number of users of the program, goes to the *de facto* analysis of the specificity of NISA. In its first year of operation NISA covered 65 products, which accounted for 70 percent of the products grown in Canada. (*See* Verification Report dated June 8, 1994, page 82). In our analysis of the third factor, we found no evidence that hog producers were dominant users or were receiving disproportionate benefits from the NISA program. Finally, we found no evidence that the GOC exercises discretion in conferring benefits under the NISA program.

Because NISA covers a large number and variety of agricultural products, no evidence of dominance or disproportionality, and lack of the GOC's discretion in conferring benefits under NISA, we preliminarily determine that the NISA farm-fed grain provision is not limited to a specific enterprise or industry, or group of enterprises, or group thereof. For further discussion, see *Decision Memorandum on the Specificity of the Net Income Stabilization Account Program* to Paul L. Joffe from The Team dated May 15, 1996, which is available in CRU.

(C) Cash Flow Enhancement Program. In the 1991–92 administrative review, the petitioner alleged that the Cash Flow Enhancement Program provides countervailable benefits to live swine producers. Therefore, the Department examined whether this program provided countervailable benefits to live swine producers.

The Cash Flow Enhancement Program provides farmers with interest-free cash advances on loans under the Prairie Grain Advance Payment Act and under the Advance Payments for Crops Act. Both of these Acts specifically state that the advances are strictly for crops that are sold, not used on the farm. Therefore, we preliminarily find this program does not provide countervailable benefits to hog producers because the advances are tied to products other than the subject merchandise. *See Decision Memorandum on the Cash Flow Enhancement Program*, to Paul L. Joffe from The Team dated May 15, 1996, which is on file in the CRU.

2. Provincial Programs. (A) Saskatchewan Livestock Cash Advance Program. Information provided in the 1991–92 review indicates that the correct name for the Saskatchewan Livestock Advance Program is the Saskatchewan Livestock Cash Advance Program (SLCAP). The Department found this program not countervailable in the first review. (*Swine First Review Results*) (53 FR 22198)). Therefore, absent new information, the Department will no longer examine this program.

(B) Ontario Farm Tax Rebate Program. This program provides eligible farmers with rebates of up to 75 percent of the taxes levied on their properties for municipal and school purposes or for local improvements. These taxes are levied under the Local Improvement Act, the Provincial Land Tax Act, or the Local Roads Boards Act, and imposed under the Local Services Boards Act. Eligible farm properties are properties used in a farming enterprise that produces agricultural products.

Any resident of Ontario may receive a rebate if he or she owns or rents and pays taxes on eligible properties. Before January 1, 1990, the minimum gross production level requirements for eligibility varied among regions: Can$8,000 for residents of Southern and Western Ontario and Can$5,000 for residents of Northern and Eastern Ontario. In *Swine First Review Results* (53 FR 22196), the Department found this program to be *de jure* specific, and thus countervailable, because the eligibility criteria varied depending on the region of Ontario in which the farm was located.

In the 1991–92 administrative review, we verified that, as of April 1, 1991 all farmers in Ontario with a minimum gross production value of Can$7,000 are eligible to receive tax rebates. Since there is no restriction on the types of farm products that receive these rebates, and we found no evidence at verification that the government exercises discretion in distributing these rebates, we have reconsidered our prior decision and preliminarily determine that this program is not specific, and therefore, not countervailable. *See Memorandum on the Ontario Farm Tax Rebate Program*, to Barbara E. Tillman from The Team dated March 5, 1996, which is on file in the CRU.

(C) *Prince Edward Island Pro Pork Assistance Program.* The Prince Edward Island (PEI) Pro Pork Assistance Program replaced the Prince Edward Island Swine Incentive Policy Program which terminated September 30, 1990. The Pro Pork Assistance Program was established on January 12, 1991, to improve the profitability, efficiency, and market quality of pork production in PEI; to improve the quality of pork marketed as measured by weight and index; and to develop an equitable marketing system for quality weaner pigs.

This program is administered by the PEI Department of Agriculture in cooperation with the PEI Hog Commodity Marketing Board. Eligible producers submit an application to the Ministry and receive assistance under two sub-programs. Under the Swine Enterprise Analysis and Consulting Service sub-program, Ministry consultants analyze farmers' production records and financial statements to identify areas in which changes to production systems and financial management systems will lead to more profitable operations. The data collected from individual producers is then averaged and used to set an industry benchmark. Thus, a producer can compare his farm's performance with that of other farms and identify areas where improvements can lead to greater productivity and profits. Under the Market Hog Weight and Index Targeting sub-program, producers receive assistance from Ministry consultants in improving swine carcass weights and lean meat yield. Qualifying producers also receive payments for ''slaughtered'' hogs meeting stipulated weight and index criteria, which are adjusted annually in response to market requirements. Payments to producers are only made on dressed pork (after slaughter).

In order for the producers to qualify for payments under this program, the swine must have been slaughtered on PEI or in New Brunswick. Since producers are not eligible for, and cannot receive benefits under this program unless hogs are slaughtered in Canada, we preliminarily determine that this program does not benefit live swine exported to the United States. *See Decision Memorandum on the Pro Pork Assistance Program,* to Paul L. Joffe from The Team dated May 15, 1996, which is on file in the CRU.

III. Programs Preliminarily Found to be Not Used

We have examined the following programs and preliminarily determine that Canadian exporters of live swine to the United States did not use them during the periods under review: (1) Agricultural Products Board Program; (2) Federal Atlantic Livestock Feed Initiative (New Brunswick, Newfoundland, Nova Scotia, and Prince Edward Island); (3) Western Diversification Program; (4) British Columbia Special Hog Payment Program; (5) New Brunswick Agriculture Development Act—Swine Assistance Program; (6) New Brunswick Livestock Incentive Program; (7) New Brunswick Swine Assistance Policy on Boars; (8) New Brunswick Swine Industry Financial Restructuring Program; (9) Newfoundland Farm Products Corporation—Hog Price Support; (10) Newfoundland Weanling Bonus Incentive Policy; (11) Nova Scotia Improved Sire Policy; (12) Ontario Bear Damage to Livestock Compensation Program; and (13) Ontario Swine Sales Assistance Policy.

IV. Program Preliminarily Found to be Terminated

(A) New Brunswick Hog Price Stabilization Plan

The New Brunswick Hog Price Stabilization Plan (NBHPSP) was established in 1974 to assure hog producers income stabilization during periods of both high and low market prices. The plan was administered jointly by the New Brunswick Department of Agriculture Hog Stabilization Board and the New Brunswick Hog Marketing Board. The plan operated as follows: the board established a base price based on production costs; when the average weekly market price exceeded the base price by Can$5.00, producers paid into the stabilization fund. When the same market price fell below the base price, producers received payments to make up the difference between the two prices. Half of the payment to producers was provided by the Government of New Brunswick as a grant to the producer and the other half was drawn from the producers' equity in the fund. When the producers exhausted their equity in the fund, the provincial government assumed the producers' portion of the payment by providing an interest-free loan, which was to be repaid when the fund was in surplus. In *Swine First Review Results* (53 FR 22194), the Department found this program to be *de jure* specific, and thus countervailable, because the legislation expressly made it available only to a specific group of enterprises or industries (hog producers). In these reviews, neither the GOC nor the government of New Brunswick submitted new information or evidence of changed circumstances to warrant reconsideration of this finding.

The program was terminated on March 31, 1989, with the fund showing a sizeable deficit. This deficit represents the cumulation over the operating years of loans made by the provincial government to cover payouts to producers. These loans were written off by the provincial government by Order-in-Council 89,1016 on December 21, 1989.

The Department's *Proposed Regulations,* at section 355.49(g), state that ''where during a year, a government forgives all or part of a loan, the Department will treat the forgiven amount as a grant and will expense or allocate it.'' The Department considers this grant to be non-recurring because the benefits are exceptional. (*General Issues Appendix*) (58 FR 37226)). Because the grant allocation period is three years, the last year in which producers of live swine may have received benefits under this program was 1991–92. However, New Brunswick did not export to the United States during that review period. Therefore, we preliminarily determine that this program was terminated and that no residual benefits accrued to swine producers after the 1991–92 review period. For a more detailed discussion on the Department's decision *see Memorandum on the New Brunswick Hog Price Stabilization Plan,* to Barbara E. Tillman from The Team dated May 15, 1996, which is on file in the CRU.

(B) Other Programs

We have also examined the following programs and preliminarily determine that they were terminated prior to April 1, 1991, and that no residual benefits were provided during the 1991–92, 1992–93 and 1993–94 review periods: (1) Canada/Alberta Swine Improvement Program Study; (2) Canada/Ontario Western Agribition Livestock Transportation Assistance Program; (3) Canada/Ontario Stabilization Plan for Hog Producers; (4) Alberta Red Meat Interim Insurance; (5) Ontario Livestock Improvement Program for Northern Ontario; (6) Ontario Pork Industry Improvement Plan; (7) Prince Edward Island Interest Payments on Assembly Yard Loan; and (8) Prince Edward Island Swine Incentive Policy.

Preliminary Results of Review

We preliminarily determine the total net subsidy on live swine from Canada to be Can$0.0594 per kilogram for the 1991–92 review period, Can$0.0609 per kilogram for the 1992–93 review period, and Can$0.0099 per kilogram for the 1993–94 review period.

If the final results of these reviews remain the same as these preliminary results, the Department intends to instruct the U.S. Customs Service to assess countervailing duties of Can$0.0594 per kilogram on shipments of live swine exported on or after April 1, 1991 and on or before March 31, 1992, Can$0.0609 per kilogram on shipments of live swine exported on or after April 1, 1992 and on or before March 31, 1993, and Can$0.0099 per kilogram on shipments of live swine exported on or after April 1, 1993 and on or before March 31, 1994.

Furthermore, if our final determination upholds our preliminary determination to revoke, in part, with respect to slaughter sows and boars and weanlings, the Department intends to instruct the U.S. Customs Service to liquidate, without regard to countervailing duties, and to refund any estimated countervailing duties collected for all unliquidated entries of slaughter sows and boars and weanlings made on or after April 1, 1991, the effective date of the partial revocation, in accordance with 19 C.F.R. 355.25(d)(5). We will also instruct the U.S. Customs Service to refund interest for entries of slaughter sows and boars and weanlings made on or after April 1, 1991, in accordance with section 778 of the Act.

The Department also intends to instruct the U.S. Customs Service to collect a cash deposit of estimated countervailing duties of Can$0.0099 per kilogram on shipments of all live swine, except slaughter sows and boars and weanlings, entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of these reviews.

Parties to the proceeding may request disclosure of the calculation methodology and interested parties may request a hearing not later than 10 days after the date of publication of this notice. Interested parties may submit written arguments in case briefs on these preliminary results within 30 days of the date of publication. Rebuttal briefs, limited to arguments raised in case briefs, may be submitted seven days after the time limit for filing the case brief. 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. Any hearing, if requested, will be held seven days after the scheduled date for submission of rebuttal briefs. Copies of case briefs and rebuttal briefs must be served on interested parties in accordance with 19 C.F.R. section 355.38(e).

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 C.F.R. section 355.38(c) are due. The Department will publish the final results of these administrative reviews including the results of its analysis of issues raised in any case or rebuttal briefs.

These administrative reviews and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. section 1675(a)(1)) and 19 C.F.R. 355.22.

Dated: May 20, 1996.

Paul L. Joffe,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96–13318 Filed 5–28–96; 8:45 am]

BILLING CODE 3510–DS–P

Determination Not To Revoke Countervailing Duty Orders

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

ACTION: Notice of determination not to revoke countervailing duty orders.

SUMMARY: The Department of Commerce (the Department) is notifying the public of its determination not to revoke the countervailing duty orders listed below.

EFFECTIVE DATE: May 29, 1996.

FOR FURTHER INFORMATION CONTACT: Brian Albright or Cameron Cardozo, Office of Countervailing Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–2786.

SUPPLEMENTARY INFORMATION:

Background

On February 28, 1996, the Department published in the Federal Register (61 FR 7475) its intent to revoke the countervailing duty orders listed below. Under 19 CFR 355.25(d)(4)(iii), the Secretary of Commerce will conclude that an order is no longer of interest to interested parties and will revoke the order if no domestic interested party (as defined in sections 355.2(i)(3), (i)(4), (i)(5), and (i)(6) of the regulations) objects to revocation and no interested party requests an administrative review by the last day of the 5th anniversary month.

Within the specified time frame, we received from a domestic interested party either an objection to our intent to revoke, or a request for administrative review, for each of these countervailing duty orders. Therefore, because the requirements of 19 CFR 355.25(d)(4)(iii) have not been met, we will not revoke these orders.

This determination is in accordance with 19 CFR 355.25(d)(4).

Countervailing duty orders	
Brazil: Brass Sheet and Strip (C–351–604).	01/08/87 52 FR 698
Chile: Standard Carnations (C–337–601).	03/19/87 52 FR 8635
France: Brass Sheet and Strip (C–427–603).	03/06/87 52 FR 6996
Iran: Raw Pistachios (C–507–501).	03/11/86 51 FR 8344
Israel: Oil Country Tubular Goods (C–508–601).	03/06/87 52 FR 6999
Korea: Stainless steel Cookware (C–580–602).	01/20/87 52 FR 2140
Spain: Stainless Steel Wire Rod (C–469–004).	01/03/83 48 FR 52
Taiwan: Stainless steel Cookware (C–583–604).	01/20/87 52 FR 2141
Turkey: Welded Carbon Steel Pipes and Tubes (C–489–502).	03/07/86 51 FR 7984
Turkey: Welded Carbon Steel Line Pipe (C–489–502).	03/07/86 51 FR 7984

Dated: May 16, 1996.

Joseph A. Spetrini,

Deputy Assistant Secretary for Compliance.

[FR Doc. 96–13323 Filed 5–28–96; 8:45 am]

BILLING CODE 3510–DS–P

Export Trade Certificate of Review

ACTION: Notice of application for an amendment to an export trade certificate of review, application No. 88–4A013.

SUMMARY: The Department of Commerce has received an application to amend an Export Trade Certificate of Review. This notice summarizes the amendment and requests comments relevant to whether the amended Certificate should be issued.

FOR FURTHER INFORMATION CONTACT: W. Dawn Busby, Director, Office of Export Trading Company Affairs, International Trade Administration, 202–482–5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. 4001–21) authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. A Certificate of Review protects the holder and the members identified in the Certificate from state and federal government antitrust actions and from private, treble damage antitrust actions for the export conduct specified in the Certificate and carried out in compliance with its terms and conditions. Section 302(b)(1) of the Act and 15 CFR 325.6(a) require the Secretary to publish a notice in the Federal Register identifying the applicant and summarizing its proposed export conduct.

Request for Public Comments

Interested parties may submit written comments relevant to determining whether the Certificate should be amended. An original and five (5) copies should be submitted not later than 30 days after the date of this notice to: Office of Export Trading Company Affairs, International Trade Administration, Department of Commerce, Room 1800H, Washington, DC 20230. Information submitted by any person is exempt from disclosure under the Freedom of Information Act (5 U.S.C. 552). Comments should refer to this application as ''Export Trade Certificate of Review, application number 88–4A013.''

CISA Export Trade Group, Inc.'s (CISA ETC) original Certificate of Review No. 88–00013 was issued to CISA on October 19, 1988. Notice of issuance of the Certificate was published in the Federal Register on October 26, 1988 (53 FR 43253). Previous amendments to the Certificate were issued on March 2, 1990 (55 FR 23123, June 6, 1990) and on December 16, 1991 (57 FR 883, January 9, 1992).

Summary of the Application:

Applicant: CISA Export Trade Group, Inc. 124 Fieldstone Drive, Venice, Florida 34292.

Contact: Pierre A. Dahmani, Legal Counsel, Telephone: (312) 876–0200.

Application No.: 88–4A013.