

written description of the scope of this proceeding is dispositive.

This review covers the period January 1, 1992 through December 31, 1992, six companies, and the following 12 programs: (1) Preferential Export Financing under Resolution 950/1009; (2) Income Tax Exemption for Export Earnings; (3) Preferential Export Financing Under CIC-OPCRE 6-2-6; (4) Preferential Financing for industrial Enterprises by the Bank of Brazil; (5) Reduction of Industrial Products Tax (IPI) and Import Duties Under Decreto No. 77.065 through BEFIEEX; (6) Preferential Financing for National Trading Companies under Resolution 883 of the Banco Central do Brasil; (7) Accelerated Depreciation for Brazilian-Made Capital Goods; (8) Preferential Financing under Resolution 68 through FINEX; (9) Preferential Financing under Resolution 578/83 through FUNPAR; (10) Preferential Financing under Resolution 579/83 through PROEX and PROSIM; (11) Preferential Financing for the Storage of Merchandise Destined for Export under Resolution 330/Portaria 130 of the Banco Central do Brasil; and (12) Green Yellow Drawback (Portaria 68/83).

Calculation Methodology for Assessment and Cash Deposit Purposes

We calculated the total subsidy on a country-wide basis by first calculating the subsidy for each company subject to the administrative review. We then weight-averaged the rate received by each company by its share of total Brazilian exports of the subject merchandise to the United States, including all companies, even those with *de minimis* and zero rates. Using this methodology we calculated a country-wide rate of 0.03 percent, which is *de minimis*.

Analysis of Program

Income Tax Exemption for Export Earnings

Although this program was eliminated on April 12, 1990, by Decree Law 8,034, Boley was authorized to use the income tax exemption on export earnings under the terms of a contract with the Commission for the Granting of Fiscal Benefits to Special Export Programs (BEFIEEX) until its contract expired. Therefore, despite the fact that the income tax exemption for export earnings was eliminated, Boley received residual benefits from the program during the review period. No other company under review used this program.

Programs Found To Be Terminated

We find the following programs to be terminated and find that the respondents did not receive any residual benefits under them during the period of review.

a. Preferential Export Financing under Resolution 950/1009 through CACEX (Carteira de Comercio Exterior) of the Bank of Brazil.

We verified that this program was terminated on August 30, 1990, by Banco Central Bank do Brasil Resolution No. 1,744. See also *Final Negative Countervailing Duty Determination: Silicon Metal from Brasil*, 56 FR 26988, 26989 (June 12, 1991).

b. Preferential Export Financing under CIC-OPCRE 6-2-6.

We verified that, on May 10, 1990, the functions of CACEX of the Bank of Brazil, which administered these export financing loans, were absorbed by the Secretariat of Foreign Trade (SECEX). SECEX was not empowered to perform banking operations and the export financing was discontinued.

c. Reduction of Industrial Products Tax (IPI) and Import Duties under Decreto No. 77.065 through BEFIEEX (Comissao par a Concessao de Beneficios a Programas Especiais de Exportacao) and CIEEX (Comissao para Incentivos a Exportacao).

We verified, that, on April 12, 1990, Decree Law 8,032 limited this program exclusively to imports made by the federal, state, and municipal governments, territories, other political entities, and scientific institutions, thereby eliminating the benefit to commercial enterprises.

d. Preferential Financing for National Trading Companies under Resolution 883 of the Banco Central do Brasil.

We verified that Banco Central do Brasil Resolution 1,744 revoked Resolution 883 on August 30, 1990, thereby terminating this program. (See also, *Certain Round-Shaped Agricultural Tillage Tools from Brazil: Preliminary Results of Countervailing Duty Administration Review*, 57 FR 10885, 10886 (March 31, 1992).)

e. Preferential Financing under Resolution 68 through FINEX.

We verified that this program was terminated on April 5, 1990, after it failed to be reenacted within two years of April 5, 1988, the date on which Brazil's new constitution came into effect. Article 4 of the new constitution provided that all programs requiring funding from the national treasury had to be reenacted within a two-year period or cease to exist. Legislation to reenact preferential financing through FINEX was not passed and the program ceased to exist.

f. Preferential Financing under Resolution 579/83 through PROSIM and PROEX (BNDES).

We verified that preferential financing through PROSIM was terminated on February 4, 1985, by BNDES Resolution 607, and that preferential financing through PROEX (BNDES) was terminated on September 2, 1991 by BNDES Resolution 762.

g. Preferential Financing for the Storage of Merchandise Destined for Export under Resolution 330/Portaria 130 of the Banco Central do Brasil.

We verified that this program was terminated on August 21, 1984, by Central Bank Resolution 950.

Programs Found To Be Not Used

We find that respondents did not use following programs during the review period:

- a. Preferential Financing for Industrial Enterprises by the Bank of Brazil
- b. Preferential Financing under Resolution 578/83 through FUNPAR
- c. Accelerated Depreciation for Brazilian Made Capital Goods
- d. Green Yellow Drawback (Portaria 68/83)

Analysis of Comments Received

We gave interested parties an opportunity to comment on the preliminary results. We received no comments.

Final Results of Review

As a result of our review, we determine the net subsidy to be 0.03 percent *ad valorem* for all firms during the period January 1, 1992 through December 31, 1992. In accordance with 19 CFR 355.7, any rate less than 0.50 percent *ad valorem* is *de minimis*.

Therefore, the Department will instruct the Customs Service to liquidate, without regard to countervailing duties, all shipments of this merchandise exported on or after January 1, 1992 and on or before December 31, 1992.

The Department will instruct the Customs Service to continue to suspend liquidation on all shipments of this merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice. Because the net subsidy is *de minimis*, however, the cash deposit on shipments entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register** will be zero. These instructions shall remain in effect until publication of the final results of the next administrative review.