

all other credit facilities. There were no loans for the prefinancing of exports under this line of credit with outstanding balances in 2001 or 2002.

To calculate the 2001 benefit we multiplied the average U.S. Dollar-denominated loan balance outstanding during 2001 by the difference between the interest rate charged by this program and the benchmark for short-term, U.S. Dollar-denominated loans (*See* "Benchmark Interest Rates and Discount Rates" section above).

Because loans made under this program were converted from U.S. Dollars to Argentine Pesos on January 29, 2002 pursuant to Law 25,567 and Decree 214/2002, we consider this conversion to constitute, in effect, a new loan made in 2002. To calculate the benefit for 2002 we did the following: (1) We multiplied the U.S. Dollar-denominated outstanding loan balances which existed from January 1, 2002 through January 29, 2002 by the difference between the interest rate for loans charged under the program and the appropriate benchmark interest rate for U.S. Dollar-denominated loans; (2) we then multiplied the averaged Argentine Peso-denominated outstanding loan balance which existed from January 29, 2002 through December 31, 2002 by the difference between the interest rate charged under the program and the appropriate benchmark interest rate for short-term, Argentine Peso-denominated loans made during 2002; and (3) we converted the 2002 Argentine Peso-denominated benefit into U.S. Dollars using the official exchange rate data provide by the GOA.

B. The Line of Credit for the Acquisition of Capital Goods

The Line of Credit for the Acquisition of Capital Goods under the BAHF was implemented by the Banco Provincia through Circular "A" No. 13,854 in July 1997, pursuant to an agreement between the Banco Provincia and Banco de Inversion y Comercio Exterior S.A. (BICE), and utilizes funding provided through the BICE Norms 006 and 006/1. The BICE is a GOA entity, which functions as a "second tier" bank, lending money to other banks (both commercial and other government-owned or controlled banks) for the purpose of implementing government lending programs.

Under this line of credit, beekeepers are eligible to receive long-term financing for the acquisition of capital goods including beehives, new nuclei, inert material, and extraction and processing material, among other goods. Financing for this line of credit carries

a maximum repayment term of five years. Interest rates are based on LIBOR, plus a spread added by the BICE, and a spread added by the Banco Provincia. The spreads given by both the BICE and Banco Provincia vary depending upon the repayment schedule of the loan. All of the loans that had outstanding loan balances during the POR were originally provided in U.S. Dollars; but these balances were converted to Argentine Pesos on January 29, 2002 in accordance with Law 25,567 and Decree 214/2002.

To calculate the 2001 benefit we multiplied the average U.S. Dollar-denominated balance outstanding during 2001 by the difference between the interest rate charged by this program and the benchmark for long-term U.S. Dollar-denominated loans (*See* "Benchmark Interest Rates and Discount Rates" section above).

As discussed above, loans made under this program were converted from U.S. Dollars to Argentine Pesos pursuant to Law 25,567 and Decree 214/2002. As such, we consider that this conversion constitutes, in effect, the provision of new loans made in 2002. We calculated the benefit for 2002 in the following steps: (1) We multiplied the average U.S. Dollar-denominated outstanding loan balances which existed from January 1, 2002 through January 28, 2002 by the difference between the interest rate for loans charged under the program and the appropriate benchmark interest rate for U.S. Dollar-denominated loans; (2) we multiplied the average Argentine Peso-denominated outstanding loan balance which existed from January 29, 2002 through December 31, 2002 by the difference between the interest rate charged under the program and the appropriate benchmark interest rate for long-term, Argentine Peso-denominated loans made during 2002; and (3) we converted the 2002 Argentine Peso-denominated benefit into U.S. Dollars using the official exchange rate data provide by the GOA.

Total Countervailable Subsidy From the Buenos Aires Honey Program

To calculate the total countervailable subsidy for 2001 from the Buenos Aires Honey program, we did the following: (1) We summed all dollar-denominated benefits arising from Loans for Working Capital and Loans for the Acquisition of Capital Goods; (2) we divided this total 2001 benefit by the value of honey production in the Province of Buenos Aires during the 2001; (3) we then determined the subsidy attributable to subject merchandise from this program by multiplying the calculated subsidy rate by the percentage that honey from

the Province of Buenos Aires represents of total honey exports to the United States during 2001. *See* section entitled "Denominator Issues" above. Thus, we preliminarily determine the countervailable subsidy rate from the Buenos Aires Honey Program for 2001 is 0.047 percent *ad valorem*.

To calculate the total countervailable subsidy for 2002 from the Buenos Aires Honey program, we did the following: (1) We summed all dollar-denominated benefits arising from Loans for Working Capital and Loans for the Acquisition of Capital Goods; (2) we divided this total 2002 benefit by the value of honey production in the Province of Buenos Aires during the 2002; (3) we then determined the subsidy attributable to subject merchandise from this program by multiplying the calculated subsidy rate by the percentage that honey from the Province of Buenos Aires represents of total honey exports to the United States during 2002. *See* section entitled "Denominator Issues" above. Thus, we preliminarily determine the countervailable subsidy rate from the Buenos Aires Honey Program for 2002 and the rate of cash deposit of estimated countervailing duties applicable to this program is 0.045 percent *ad valorem*.

II. Program Preliminarily Determined To Be Not Countervailable

Provincial Program

Buenos Aires Micro-, Small- and Medium-Sized Businesses (MIPyMEs) Agreement for 2000 and the Buenos Aires Agricultural MIPyMEs Agreement for 2000

The Province of Buenos Aires provided information on two agreements: the "Convenio Programa MIPyMEs Bonarenses 2000" and the "Convenio Programa MIPyMEs Agropecuarias Bonarense 2000," which together comprise the MIPyMEs Agreement. This program is administered by the Banco de la Provincia de Buenos Aires (Banco Provincia or BAPRO) and its goal is to preserve and assist in the development of small businesses. MIPyMEs is the acronym for Micros, Pequeñas y Medianas Empresas (micro- small-, and medium sized businesses). Information about these programs was provided in response to the Department's question regarding whether the GOA, or entities owned directly, in whole or in part, by the government, provide, directly or indirectly, any other forms of assistance to producers or exporters of the subject merchandise.

Under the MIPyMEs Agreement, the government of the Province of Buenos Aires, through Banco Provincia,