Investigations 60 FR at 42543 (August 16, 1995).

Comment 11: The FTC asserts that, by using the annual weighted-average effective U.S. prime lending rates reported in the *Federal Reserve*, rather than one quarter of 1994 as done in the preliminary determination for the 1991–1992 review periods, the Department would find that the dollar-denominated BANCOLDEX loans issued during these PORs were preferential (the weighted-average U.S. lending rate for 1992 was 8.72 percent, compared to the dollar denominated loans issued to the five leading exporters of roses and minis in 1992) (See Public questionnaire response). Consequently, the FTC requests that the Department either terminate the suspension agreements or remove their reference to benchmarks and determine compliance with the suspension agreements based on current rates for the review period.

Department's Position: The Department in its final results in connection with the 1991–1992 annual review periods agreed with respondents that the calculation of the dollar loan benchmark in the Department's preliminary results was incorrect because it was not necessarily representative of dollar-based interest rates in Colombia. (See *Roses and Other Cut Flowers from Colombia: Miniature Carnations from Colombia: Final Results of Countervailing Duty Administrative Reviews of Suspended Investigations*, 60 FR 42543 (August 16, 1995). We corrected this error in the 1993 preliminary results of review. Consequently, this issue does not apply to the current POR.

Comment 12: The FTC asserts that according to 19 CFR 355.19(b), the Department can revise the suspension agreements if it ''has reason to believe that the signatory government or exporters have violated an agreement or that an agreement no longer meets the requirements of section 704(d)(1) of the Act.'' The FTC claims that respondents have violated the terms of the suspension agreements during the PORs (See Comments 6 and 10).

The GOC argues that all Colombian flower producers/exporters of minis and roses have fully complied with the terms of their respective suspension agreements and that it supports the Department's past policy of having suspension agreements be forward-looking, and that the Department sets benchmarks interest rates prospectively. The GOC asserts that there is no need to amend or clarify the suspension agreements and it was inappropriate for the Department to have requested comments from interested parties for the following reasons: first, the suspension agreements cannot be unilaterally amended or clarified by the Department or the Colombian flower growers/exporters. Second, the Department has no power to amend or clarify the agreements without the consent of all signatories. Third, the Department should first raise the issue with the signatories and negotiate an amendment, which then can be subject to public comments (See 19 CFR 355.18(g)).

The GOC contends that there is no basis for considering to amend the suspension agreements. Because dollar loans were provided by international financial institutions, the GOC asserts that the loans are non-countervailable and there is no need for the Department to determine whether these loans were granted on non-preferential terms.

The GOC argues that based on FTC's proposed amendments of the suspension agreements (See Comment 5), no Colombian flower grower/exporter would sign such an agreement where signatories would agree to a blanket commitment that all PROEXPO/BANCOLDEX loans have to be ''non-preferential'' without any understanding as to how the Department would interpret that term. Further, the GOC argues that suspension agreements are supposed to provide certainty so that when BANCOLDEX loans are issued, the GOC knows what rate must be charged to comply with the suspension agreements.

Department's Position: The Department has determined not to initiate an amendment to the suspension agreements, based on the information received. The Secretary has no reason to believe at this time that the exporters of the subject merchandise have violated the suspension agreements or that the agreements no longer meet the requirements of section 704(d)(1). Consequently, the Department will not currently renegotiate the suspension agreements with the GOC and the producers/exporters of the subject merchandises nor will it terminate the suspension agreements, nor will it reopen the investigation. (See *Roses and Other Cut Flowers from Colombia: Miniature Carnations from Colombia: Final Results of Countervailing Duty Administrative Reviews of Suspended Investigations* 60 FR 42544 (August 16, 1995).

Refinancing Outstanding Dollar and Peso Loans

At the time of the final results of the 1991–1992 reviews, the GOC asserted that if any dollar loans needed to be refinanced or repaid, the Department should grant 90 days after the publication of the final results for the process of refinancing to occur. This is the same period initially established in the minis suspension agreement (See 52 FR 1355, para. II.B., 1986, and *Roses and Other Cut Flowers from Colombia; Miniature Carnations from Colombia; Final Results of Countervailing Duty Administrative Reviews of Suspended Investigations*, 60 FR 42544 (Comment 11) (August 16, 1995)).

For the 1993 POR, the Department determines that the effective date for completing the repayment and/or refinancing of any outstanding dollar and peso loans to meet the new short and long-term dollar and peso benchmarks is 90 days after publication of these final results in the Federal Register.

Final Results of Reviews

After considering all of the comments received, we determine that the GOC and the Colombian flower growers/exporters of the subject merchandise have complied with the terms of the suspension agreements for the period January 1, 1993, through December 31, 1993. In addition, we determine that the peso and dollar benchmarks established in this final notice will be effective 14 days after the date of publication of this notice. Moreover, the Department determines that the effective date for completing the repayment and/or refinancing for any outstanding peso and dollar loans to meet the new short- and long-term benchmarks is 90 days after publication of these final results in the Federal Register.

This administrative review and notice are in accordance with sections 751(a)(1)(C) of the Tariff Act (19 U.S.C. 1675(a)(1)(C) and 19 CFR 355.22 and 355.25.

Dated: February 28, 1996.

Paul L. Joffe,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96–5440 Filed 3–6–96; 8:45 am]

BILLING CODE 3510–DS–P

Notice: Change in Policy Regarding Currency Conversions

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

SUMMARY: The Department of Commerce (''the Department'') has revised its policy regarding currency conversions to conform to changes resulting from the Uruguay Round Agreements Act (''the URAA''). We are now announcing this change in methodology and the accompanying computer code and

requesting comments on this new methodology. At the end of a one-year test period, the Department will reexamine the methodology, make any needed changes, and prepare regulations.

DATES: *Effective Date:* The proposed policy is effective March 8, 1996 with respect to all investigations and reviews requested since January 1, 1995. The Department will consider all written comments concerning this methodology and the accompanying computer code received before December 31, 1996.

ADDRESSES: *Comments:* Address all written comments to Susan G. Esserman, Assistant Secretary for Import Administration, Central Records Unit, Room B–099, U.S. Department of Commerce, Pennsylvania Avenue and 14th Street, NW., Washington DC 20230.

Computer Code: The computer code is available to the public as of March 8, 1996 on Internet at the following address: HTTP://WWW.ITA.DOC.GOV/IMPORT____ADMIN/RECORDS/. In addition, the computer code is available on 3.5'' diskettes in SAS 6.11 format and paper copies are available for reading and photocopying at Room B–099 of the Central Records Unit, Room B–099, U.S. Department of Commerce, Pennsylvania Avenue and 14th Street, NW., Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Penelope Naas, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone: (202) 482–3534.

SUPPLEMENTARY INFORMATION: The URAA amended the Tariff Act of 1930 (''the Act'') to provide explicit guidance regarding the exchange rate to be used when converting currencies in antidumping proceedings (section 773A). In the Statement of Administrative Action accompanying the URAA, the Administration set out its intention that the Department would ''* * * promulgate regulations implementing the requirements of section 773A.'' In the ''Notice of Proposed Rulemaking and Request for Public Comments'' dealing with proposed antidumping and countervailing duty regulations, the Department announced its intention to implement the requirements of section 773A ''through an exchange rate model announced in a policy bulletin * * *'' (61 FR 7308; February 27, 1996.) Policy Bulletin 96–1, which follows, is a description of the exchange rate model.

As stated in the proposed regulations, we plan to use this model for one year and then evaluate its performance based on public comment. We will then alter the model as necessary and expand the regulations to provide more extensive guidance. The public is invited to comment on the model at any time prior to December 31, 1996. The computer code, through which the exchange rates will be selected is available on Internet and on disks from the Department. The Department also will make available on Internet lists of exchange rates for all currencies required in antidumping proceedings under the Act, as amended by the URAA.

Policy Bulletin 96–1: Import Administration Exchange Rate Methodology

Introduction

For the first time, the Uruguay Round Agreements Act (the ''URAA'') provides explicit guidelines for the selection of exchange rates that Import Administration (''IA'') will use in converting foreign currencies to U.S. dollars. Our past practice, specified in 19 CFR 353.60, has been to use the same exchange rates as the Customs Service.

Section 773A of the Tariff Act of 1930, as amended, (the ''Act'') provides that IA will convert foreign currencies at the exchange rates on the date of the U.S. sale, subject to certain exceptions. Those exceptions require IA to ignore ''fluctuations'' in the exchange rate and to provide respondents in an investigation at least 60 days to adjust prices after a ''sustained movement'' in the exchange rate.[1] Neither the Act nor the Antidumping Agreement (Agreement on Implementation of Article VI, GATT 1994) provide guidance on defining fluctuations or sustained movements.

The Statement of Administrative Action accompanying the URAA (the ''SAA'') provides that IA is to promulgate regulations implementing the currency conversion provisions of section 773A of the Act. (SAA at 841.) The proposed regulations do not provide the kind of detail necessary to define fluctuations and sustained movement. Instead, we intend to implement and test the model described in this bulletin for one year. We will then make any necessary revisions to the model based on our experience and public comment. Once that process is complete, we will promulgate regulations fully defining our practice.

We have designed the exchange rate model described below to define fluctuations and sustained movements with three goals in mind:

1. To implement the statutory requirements as simply as possible.
2. To ensure that all exporters, when they set their U.S. prices and whether under order or not, can know with certainty the daily exchange rate the Department will use in a dumping analysis.
3. To capture the model in simple computer code to reduce the administrative burdens on IA and other parties that wish to monitor exchange rates.

In brief, the model has been designed to convert a file of actual daily exchange rates to a file of ''official'' daily exchange rates. In this process, each actual daily exchange rate is classified as ''normal'' or ''fluctuating.'' An extended pattern of appreciating rates defines a ''sustained movement.'' Based on these classifications, the model assigns the appropriate official exchange rate for each day.[2]

Summary of the Model.

Step 1: Exchange Rate Used

The model classifies each daily rate as ''normal'' or ''fluctuating'' based on a ''benchmark'' rate. The benchmark is a moving average of the actual daily exchange rates for the eight weeks immediately prior to the date of the actual daily exchange rate to be classified.[3] Whenever the actual daily rate varies from the benchmark rate by more than two-and-a-quarter percent, the actual daily rate is classified as fluctuating. If within two-and-a-quarter percent, the actual daily rate is classified as normal.

Actual daily rates classified as normal are the official exchange rate for that day. However, when an actual daily rate is classified as fluctuating, the benchmark rate is the official rate for that day.

Step 2: Recognition Period

Whenever the weekly average of actual daily rates exceeds the weekly average of benchmark rates by more than five percent for eight consecutive

[1] Section 773A of the Act also specifies that, if it is established that a forward currency transaction (''hedging'') is linked to an export sale, IA may use the exchange rate specified in the forward contract to convert currency for that sale. The model described in this bulletin does not encompass this exception. When it is appropriate to employ the forward rate provision, it is a simple matter to substitute the forward rate for the results of the model.

[2] We are continuing to examine the application of the model in situations where the foreign currency depreciates substantially against the dollar over the period of investigation or the period of review. In those situations, it may be appropriate to rely on daily rates.

[3] The New York Federal Reserve Bank publishes exchange rates for Monday through Friday only, excluding holidays. We refer to these as the actual daily rate or reported days.

weeks (the recognition period), the model classifies the exchange rate change as a sustained movement. During the eight week recognition period, the model continues to classify each daily rate as normal or fluctuating and to substitute the benchmark rate for the actual daily rate when the daily rate is fluctuating.

Step 3: Adjustment for Sustained Movement

When there has been a sustained movement increasing the value of a foreign currency in relation to the dollar, respondents under investigation, but not review, are given 60 calendar days to correct their prices. The 60-calendar-day grace period begins on the first day after the recognition period. During that period, the official rate in effect on the last day of the recognition period will be the official rate in investigations. For reviews, the model continues to apply the eight-week average to determine whether daily rates are normal or fluctuating.

When a foreign currency has decreased in value in relation to the dollar, there is no adjustment required for a sustained movement, and the official rate generated by the model will normally apply to currencies depreciating against the dollar. However, in both investigations and reviews, whenever the decline in the value of a foreign currency is so precipitous and large as to reasonably preclude the possibility that it is only fluctuating, the lower actual daily rates will be employed from the time of the large decline.

The Starting Point

In order to provide certainty for all parties, we will start the model for all currencies as of January 1, 1992. We have chosen this date because the new law is effective for all reviews requested in January 1995 and thereafter. Generally, the earliest possible U.S. sale is 18 to 22 months prior to the anniversary month (18-month review period (first review) with U.S. sales generally made not earlier than 4 months before entry). By starting the model more than a full year prior to the earliest probable U.S. sale date, any distortion caused by the pattern of rates included in the initial benchmark will be eliminated before it can influence the exchange rate on the date of an actual U.S. sale.

Currently, a list of official rates starting with January 1, 1992, for the 30 exchange rates collected by the New York Federal Reserve Bank [4] is available on Internet and through the Central Records Unit. Shortly, all currencies for which there is a product under a dumping order will be posted and distributed. We will maintain these rates and update them quarterly using the Federal Reserve and other reliable sources.

Decision Rules in Greater Detail

The decision rules which follow have been programmed in SAS to convert a list of actual daily exchange rates to a list of official exchange rates for use in dumping investigations and reviews. We will use the file of official daily rates to select the exchange rate for each U.S. sale in our calculations. The following rules will apply:

1. Use the actual daily exchange rate [5] unless the actual daily rate varies by more than two and a quarter percent from the benchmark rate (''fluctuates''). The benchmark rate is defined as the moving average exchange rate of the 40 reported days immediately preceding the date of the exchange rate being tested and classified.[6]

2. When the actual daily rate fluctuates from the benchmark rate, use the benchmark rate until the daily rate fluctuates by more than five percent in the same direction from the benchmark rate for a period of 40 reported days, or approximately eight weeks.[7] In other words, the weekly average of the actual daily rates will be compared to the average benchmark rate for the same week. If the actual exchange rate average exceeds the benchmark average by five percent or more for eight consecutive weeks, a sustained movement in the value of the currency is deemed to have occurred.

3. In investigations, if a sustained movement has occurred, and the foreign currency has increased in value in relation to the U.S. dollar, continue to use the official rate from the last day of the recognition period for 60 days following the end of the recognition period. On the 61st day, we would return to comparing the actual daily rate to the benchmark rate.

Whenever the decline in the value of a foreign currency is so precipitous and large as to reasonably preclude the possibility that it is only fluctuating, use actual daily rates from the start of the recognition period.

Dated: March 4, 1996.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 96–5424 Filed 3–7–96; 8:45 am]

BILLING CODE 3510–DS–P

[4] The 30 exchange rates are collected by the New York Federal Reserve Bank from a sample of market participants. They are the noon buying rates in New York for cable transfers payable in foreign currencies. These rates are certified by the New York Federal Reserve Bank for customs purposes, as required by section 522 of the Act. The daily rates are published weekly by the Federal Reserve Bank Board of Governors in form H–10. In addition, the Chicago Federal Reserve Bank maintains an electronic file on a bulletin board (which any party can access by modem) of 30 of the currencies. When the need for a currency other than one of the 32 arises, we will identify another reliable source.

[5] The exchange rate on Saturday, Sunday, or holidays is the rate used for the previous reported day.

[6] The model is based on reported days. For example, the benchmark rate used is 40 reported days or approximately eight calendar weeks. Likewise, the exchange rate recognition period is 40 reported days or approximately eight weeks.

[7] To eliminate ''noise'' in the daily rates, when testing whether there has been a sustained movement, the model compares the eight average weekly rates for the recognition period to the benchmark rate. Daily rates are too volatile. (By using an average weekly rate, a single day's dip back into the normal range will not mask a sustained movement.) A sustained movement is deemed to have occurred when the average rate for each of the eight weeks of the recognition period deviates from the benchmark by more than five percent.

National Oceanic and Atmospheric Administration

[I.D. 030496A]

Western Pacific Fishery Management Council; Public Meeting

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

ACTION: Notice of public meeting.

SUMMARY: The Western Pacific Fishery Management Council (Council) will hold a meeting of its Crustaceans Plan Team.

DATES: The meeting will be held on March 19, 1996, from 8:30 a.m. to 5:00 p.m.

ADDRESSES: The meeting will be held at the Executive Center, 1088 Bishop St., Room 4003, Honolulu, HI; telephone: (808) 539–3000.

Council address: Western Pacific Fishery Management Council, 1164 Bishop St., Suite 1405, Honolulu, HI, 96813.

FOR FURTHER INFORMATION CONTACT: Kitty M. Simonds, Executive Director; telephone: (808) 522–8220.

SUPPLEMENTARY INFORMATION: The plan team will discuss and may make recommendations to the Council on the following agenda items:

1. Status of the stocks;

2. Review of Northwestern Hawaiian Islands (NWHI) experimental fishery;

3. Status of crustaceans amendment 9;