

**Live Swine from Canada:
Commerce Preliminarily Finds U.S. Sales at Less Than Fair Value;
Cash Deposits or Bonds Required for Imports**

The U.S. Department of Commerce announced today its preliminary determination in the antidumping duty (ADD) investigation of U.S. imports of live swine from Canada. As a result, U.S. imports of live swine covered by the investigation must now be accompanied by either a bond or a cash deposit as specified below.

What is covered by this investigation? The investigation covers all live swine from Canada except breeding stock swine. The designation of "breeding stock" indicates the imported product is acceptable for use of breeding live swine, and it is presumed that such product will be used for breeding stock only. Commerce has provided that if a reasonable basis exists to believe or suspect that imports claimed as "breeding stock" are being used for other purposes, it may require end-use certificates for the importation of this product.

What are the bonding/cash deposit rates? The bonding or cash deposit rate depends on the Canadian producer/exporter of the product as follows:

Producer/Exporter	Bond / Cash Deposit Margin
Ontario Pork Producers' Marketing Board	13.25%
Premium Pork Canada, Inc.	15.01%
Hytek, Inc.	0.38% (<i>de minimis</i>)
All Others	14.06%

What requirements apply to imports? Importers of live swine covered by the scope of the ADD investigation must either make a cash deposit or secure a bond in an amount sufficient to cover the applicable deposit rate. Merchandise produced and exported by Hytek, Inc. is exempted from this requirement, because that company has a *de minimis* rate.

Where a producer, seller, manufacturer or exporter reimburses the importer of covered merchandise for all or part of the duties, that amount will be added to the importer's duty obligation. Importers are therefore required to submit certification to Customs and Border Protection indicating whether or not they have received any form of reimbursement in this regard. If no certificate is submitted to CBP, the importer will be presumed to have been reimbursed and the duty assessed to the importer will be doubled.

Commerce expects to issue its final AD determination no later than March 7, 2005. It is also continuing its CVD investigation and expects to issue a final determination at the same time. The deadline may be extended depending on a variety of factors, including the complexity of the investigations.

If you have questions, please contact your nearest NGJ office or e-mail us at techservices@ngjensen.com.

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