

diagrams, blueprints, or manuals, or in intangible form, such as training or technical services) that can be used to design, produce, manufacture, utilize, or reconstruct goods, including software and technical data, but not the goods themselves."

With respect to the definition of "services", the House Ways and Means Committee Report states that the term investment is meant to include "entry into a contract for the provision of management services entailing overall responsibility for the development of Iranian or Libyan petroleum resources or entailing general supervision and guarantee of another person's performance of such a contract." General concepts of investment can be used to determine whether a contract for such management services is an "investment" rather than a "service contract." In making such a determination, factors such as whether capital is put at risk by the person involved, whether the person receives a share in the income or profits of the development (bearing in mind that the entry into a contract providing for such participation already falls within the definition of investment), whether the person receives an equity stake in the petroleum resources (bearing in mind that the purchase of a share of ownership in the development of petroleum resources already falls within the definition), whether compensation is based on the investment's performance, whether the person receives a share in the assets of the enterprise upon dissolution, can all be considered.

Any contract that includes overall responsibility for the development of petroleum resources could be captured by the definition, regardless of the parties involved, as long as the contract is entered into pursuant to an agreement with the Government of Iran, a nongovernmental entity in Iran, the Government of Libya, or a nongovernmental entity in Libya.

Parents and Subsidiaries

Section 5(c) states that sanctions will be imposed on:

(1) any person the President determines has carried out [sanctionable activities]; and

(2) any person the President determines—
(A) is a successor entity to the person referred to in paragraph (1);

(B) is a parent or subsidiary of the person referred to in paragraph (1) if that parent or subsidiary, with actual knowledge, engaged in the activities referred to in paragraph (1); or

(C) is an affiliate of the person referred to in paragraph (1) if that affiliate, with actual knowledge, engaged in the activities referred to in paragraph (1) and if that affiliate is

controlled in fact by the person referred to in paragraph (1).

For parents of sanctioned persons, the term "engaged in" refers to facilitation and authorization of the entry into a contract that falls within the definition of investment. For subsidiaries and affiliates, it refers to actual participation in the implementation of the contract—for example, if the contract provided for certain elements to be carried out by subsidiary companies.

Dated: December 11, 1996.

Robert M. Maxim,

Acting, Deputy Assistant Secretary, Energy, Sanctions, and Commodities.

[FR Doc. 96-31853 Filed 12-13-96; 8:45 am]

BILLING CODE 4710-07-M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Trade Policy Staff Committee (TPSC); Request for Comments Concerning Compliance With Telecommunications Trade Agreements

AGENCY: Office of the United States Trade Representative.

ACTION: Notice of request for public comments.

SUMMARY: This notice seeks advice on the operation and effectiveness of the telecommunications trade agreements with Japan, Korea, Taiwan, Mexico, and Canada through written submissions due January 24, 1997. The review will conclude March 31, 1997. The review, conducted pursuant to Section 1377 of the Omnibus Trade and Competitiveness Act of 1988, must determine whether the above countries are not in compliance with the terms of such agreements or otherwise deny "mutually advantageous market opportunities" to U.S. products and services within the context of those agreements.

Specifically, USTR seeks information on:

Whether Japan, Korea, Taiwan, Canada, and Mexico have carried out their commitments under telecommunications agreements with the United States;

Whether levels of trade conform with the levels that would be expected based on these agreements; and

The underlying competitiveness of U.S. providers of telecom products or services.

DATES: Submissions must be received on or before January 24, 1997.

ADDRESSES: Comments must be submitted to the Executive Secretary, Trade Policy Staff Committee, Office of

the United States Trade Representative, 600 17th Street, N.W., Washington, D.C. 20506.

FOR FURTHER INFORMATION CONTACT: Jim McGlinchey (202-395-5656), Office of Industry or Laura Sherman (202-395-3150), Office of the General Counsel, Office of the U.S. Trade Representative, 600 17th Street, NW, Washington, D.C. 20508.

SUPPLEMENTARY INFORMATION: Section 1377 of the Omnibus Trade and Competitiveness Act of 1988 requires the USTR to review annually the operation and effectiveness of all U.S. trade agreements regarding telecommunications products and services. The United States has telecommunications agreements with Japan, Canada, Mexico, Korea and Taiwan.

Japan

The United States has two telecommunications procurement agreements with the Government of Japan. The first, the Nippon Telegraph and Telephone (NTT) agreement, is designed to ensure that the government-owned, major telecommunications provider in Japan employs open, non-discriminatory and transparent procedures in procuring telecommunications products. In 1994, as part of the Framework discussions with Japan, NTT agreed to improve its procurement procedures to provide greater transparency and more timely notice to foreign suppliers. The improved measures are intended to increase reliance on international standards and to improve the impartiality of the process by requiring transparent and non-discriminatory selection criteria and by reducing single-tender sourcing.

The second procurement agreement is the 1994 U.S.-Japan Public Sector Procurement Agreement on Telecommunications Products and Services. Under this agreement, Japan introduced procedures addressing: enhanced participation by foreign suppliers in pre-solicitation development and specification-drafting for large-scale telecommunications procurements; transparent and non-discriminatory award criteria that include greatest overall value for procurement decisions; decreased sole sourcing; and the establishing of an effective bid protest mechanism.

The U.S. recently met with Japan to review implementation of the two procurement agreements. Under both agreements, foreign share increased slightly, but in both cases there may have been an evasion or disregard of the

procurement procedures and a consequent lack of bidding opportunities for U.S. suppliers in the Japanese telecom market. In both segments of the Japanese public sector (NTT and non-NTT), market share of foreign suppliers continues to be lower than expected, given the competitiveness of the U.S. telecommunications industry in the global market. NTT and the Government of Japan do not appear to be procuring telecom equipment and services with the degree of openness and non-discrimination contemplated in the improved measures.

Specifically, NTT may be applying a non-transparent and discriminatory selection criteria for its procurement; not covering the more lucrative contracts under the open procedures but instead treating such equipment as follow-on procurement to prior contracts; and not relying on de facto international standards as envisioned in the agreement.

With respect to the non-NTT public sector procurement agreement, the U.S. Trade Representative is concerned that Ministries in Japan and other covered entities may not be following the procedures. Data supplied by the Government of Japan for the recent implementation review show that only 16 Ministries, or 14% of covered entities, reported any telecom purchases for Japan's fiscal year 1995. Only 4 entities from the whole Japanese central and provincial government reported purchasing telecom products or services from foreign suppliers. In addition, the Ministry of Post and Telecommunications, the largest public purchaser of telecom equipment other than NTT, actually increased its reliance on single-tendering.

The above facts raise concerns about the operation and effectiveness of these procurement agreements. Accordingly, the U.S. Trade Representative seeks information regarding any concrete difficulties that U.S. telecommunications product suppliers and service providers are encountering in Japan generally and specifically under the terms of the two Framework telecom procurement agreements. Specifically, we seek any evidence of problems with purchasing procedures of NTT and the Government of Japan, sales efforts firms would undertake if such problems were removed, and any other relevant information.

Additional U.S.-Japan

Telecommunications Trade Agreements: The United States has a number of additional telecommunications trade agreements with Japan, including a series of agreements on: international

value-added network services (IVANS) (1990-91); open procurement of all satellites, except for government research and development (R&D) satellites (1990); network channel terminating equipment (NCTE) (1990); cellular and third-party radio systems (1989) and cellular radio systems (1995).

Mexico and Canada

Several chapters of the North American Free Trade Agreement (NAFTA) contain market liberalization commitments on telecommunications. In addition to general principles in the services and investment chapters, Chapter 13 on telecommunications contains provisions applicable to equipment approval processes and associated telecommunications standards issues as well as private networks and enhanced or value-added telecommunications services. NAFTA also requires tariff reductions for telecommunications equipment.

As a result of the March 31, 1996 review, the U.S. Trade Representative determined that Mexico was not in compliance with its NAFTA telecom obligations, due to Mexico's delay in implementing procedures for acceptance of test data for product safety requirements for telecom terminals. Through the Telecommunications Standards Subcommittee, Canada and the United States obtained Mexican agreement on the procedures Mexico would adopt to conform to its NAFTA obligations. But these procedures are not yet in effect.

Korea

The United States has agreements with Korea to address barriers to U.S. telecom goods and services suppliers in the areas of protection of intellectual property rights (IPR), type approval of telecom equipment, transparent standard-setting processes and non-discriminatory access to the government-owned Korea Telecom's procurement of telecom network and commodity products.

In 1990, Korea agreed to an MOU on the liberalization of government procurement practices for telecommunications. In 1991, Korea committed to permit value-added services to be provided by international value-added network service operators. In February 1992 as a result of market-opening trade negotiations with the United States initiated under the 1988 Trade Act, Korea broadened these commitments to include non-discriminatory access to the telecom procurement of the government-owned Korea Telecom; open and transparent standards-setting processes and mutual

recognition of test data for equipment attached to the public network; equipment approval based on the minimal network harm standard; accelerated tariff reductions on imported telecommunications equipment; commitments to liberalize the provision of value-added services between the U.S. and Korea; and reduced and streamlined regulation of intracorporate communications.

As a result of the 1993 and 1995 reviews, the United States reached agreement with Korea on improved access to the procurement by the government-owned Korea Telecom (KT), particularly with respect to its procurements of network and commodity products. The 1995 agreement also contained commitments limiting type approval of telecom equipment to the network harm standard. In April of 1996, Korea agreed to elaborate on the 1992 provisions on non-discriminatory access to KT's procurement and non-discriminatory equipment approval, particularly with respect to enhanced intellectual property protection and non-discriminatory technical specifications.

The 1996 review revealed, however, a number of additional market access barriers in Korea. Due to restrictive Korean Government policies and practices, the U.S. Trade Representative determined that there was a lack of mutually advantageous market opportunities for foreign suppliers of telecom products and services to Korea. Market access barriers include Korean Government interference with procurement by private telecommunications services suppliers, lack of liberalization of foreign investment in telecom service providers, discriminatory and non-transparent licensing and regulation of telecom service providers, ineffective competition policies for service providers, high tariffs on telecommunications and information technology products and discriminatory customs procedures for such products.

As a result, in July 1996, the U.S. Trade Representative identified Korea as a "Priority Foreign Country" under Section 1374 of the Omnibus Trade and Competitiveness Act of 1988. The U.S. Trade Representative announced at that time that she did not intend to use the maximum one-year period provided under the statute to address U.S. concerns. Under the statute, the U.S. Trade Representative is authorized to take appropriate steps, including trade action, if U.S. concerns are not addressed within the statutory time frame.

Taiwan

In July 1996, the Office of the U.S. Trade Representative and the American Institute in Taiwan concluded with their Taiwanese counterparts an agreement on the licensing and provision of wireless services through the establishment of a competitive, transparent and fair wireless market in Taiwan.

Specifically, the Directorate General of Telecommunications (DGT) and the Taipei Economic and Cultural Representative Office confirmed that: the telecommunication regulatory function and telecommunications service provider function have been entirely separated; DGT would initiate procurements to remove the profit cap and draft a new formula for tariff schedules; interconnection agreements between wireless operators and Chunghwa Telecom Co. ("CHT") would be cost-based, transparent, unbundled and non-discriminatory and the terms of such agreements publicly available; DGT would not permit cross-subsidization between CHT's fixed-line and wireless operations; DGT would relax the debt/equity ratio for wireless bidders and not restrict a bidder from obtaining all three regional licenses, subject to the policy that an island-wide licensee is not eligible for a regional license; and DGT would remove unauthorized spectrum users. DGT also agreed to review foreign ownership limitations.

Public Comment: Requirements for Submissions

Interested persons are invited to submit written comments on the operation and effectiveness of the telecommunications trade agreements with Japan, Korea, Taiwan, Mexico, and Canada.

Comments must be filed on or before January 24, 1997. Comments must be in English and provided in 15 copies to: Gloria Blue, Executive Secretary, Trade Policy Staff Committee, Office of the U.S. Trade Representative, 600 17th Street, NW, Washington, D.C. 20508.

Comments will be open to public inspection, except confidential business information exempt from public inspection. Confidential business information must be clearly marked "BUSINESS CONFIDENTIAL" in a contrasting color ink at the top of each page on each of 15 copies, and must be accompanied by a nonconfidential summary of the confidential information. The nonconfidential

summary shall be placed in the file that is open to public inspection.

Federick L. Montgomery,
Chairman, Trade Policy Staff Committee.
[FR Doc. 96-31762 Filed 12-13-96; 8:45 am]
BILLING CODE 3910-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Extension of Public Comment Period Regarding Draft Environmental Impact Statement for Proposed Development at Lambert-St. Louis International Airport, St. Louis, MO

AGENCY: Federal Aviation Administration, Central Region, Kansas City, Missouri.

ACTION: Notice of extension of comment period.

SUMMARY: The Federal Aviation Administration (FAA) announces that it has extended the public comment period regarding the Draft Environmental Impact Statement (EIS) for a proposed new parallel runway and associated proposed development at Lambert-St. Louis International Airport. A revised and updated list of references has been provided to reviewers of the Draft EIS and placed in copies of the Draft EIS located at city halls and libraries.

DATES: The comment period, which was scheduled to end December 18, 1996, has been extended an additional thirty (30) days. In order to be considered, written comments must be received on or before January 17, 1997.

ADDRESS: Send comments to Ms. Mo Keane, Federal Aviation Administration, Airports Division, ACE 615B, 601 E. 12th Street, Kansas City, MO 64106-2808.

Issued in Kansas City, Missouri on December 5, 1996.

George A. Hendon,
Manager, Airports Division.

[FR Doc. 96-31872 Filed 12-13-96; 8:45 am]
BILLING CODE 4910-13-M

[Summary Notice No. PE-96-59]

Petitions for Exemption; Summary of Petitions Received; Dispositions of Petitions Issued

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petitions for exemption received and of dispositions of prior petitions.

SUMMARY: Pursuant to FAA's rulemaking provisions governing the application,

processing, and disposition of petitions for exemption (14 CFR Part 11), this notice contains a summary of certain petitions seeking relief from specified requirements of the Federal Aviation Regulations (14 CFR Chapter I), dispositions of certain petitions previously received, and corrections. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of any petition or its final disposition.

DATES: Comments on petitions received must identify the petition docket number involved and must be received on or before January 6, 1997.

ADDRESSES: Send comments on any petition in triplicate to: Federal Aviation Administration, Office of the Chief Counsel, Attn: Rule Docket (AGC-200), Petition Docket No. _____, 800 Independence Avenue, SW., Washington, DC 20591.

Comments may also be sent electronically to the following internet address: nprmcmts@faa.dot.gov.

The petition, any comments received, and a copy of any final disposition are filed in the assigned regulatory docket and are available for examination in the Rules Docket (AGC-200), Room 915G, FAA Headquarters Building (FOB 10A), 800 Independence Avenue, SW., Washington, DC 20591; telephone (202) 267-3132.

FOR FURTHER INFORMATION CONTACT: Fred Haynes (202) 267-3939 or Angela Anderson (202) 267-9681 Office of Rulemaking (ARM-1), Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591.

This notice is published pursuant to paragraphs (c), (e), and (g) of § 11.27 of Part 11 of the Federal Aviation Regulations (14 CFR Part 11).

Issued in Washington, D.C., on December 11, 1996.

Donald P. Byrne,
Assistant Chief Counsel for Regulations.

Dispositions of Petitions

Docket No.: 12227

Petitioner: National Business Aircraft Association, Inc.

Sections of the FAR Affected: 14 CFR 91.119, 91.409, 91.501(a), 91.503 through 91.535, and 91.515(a)(1)

Description of Relief Sought/Disposition: To permit National Business Aircraft Association, Inc. members to use inspection programs required for large turbojet or turbo-propeller-powered aircraft for their small civil airplanes and helicopters.