limitation required by paragraph (a) of this AD remains in effect.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Los Angeles ACO. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

(f) This amendment becomes effective on February 26, 1996.

Issued in Renton, Washington, on January 18, 1996.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96–1102 Filed 1–24–96; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF COMMERCE

Bureau of Export Administration

15 CFR Parts 770, 771, 772, 773, 774, 775, 776, 785, 786, 787 and 799

[Docket No. 960103001–6001–01]

RIN 0694–AB36

Revisions to the Export Administration Regulations: Reform of Computer Export Controls; Establishment of General License G–CTP

AGENCY: Bureau of Export Administration, Commerce.

ACTION: Interim rule.

SUMMARY: The Bureau of Export Administration (BXA) is amending the Export Administration Regulations (EAR), to implement the President's October 6, 1995, announcement on major reform of computer export controls.

The President announced a liberalization of export controls on all computers to countries in North America, most of Western Europe, and parts of Asia. For certain other countries, including many in Latin America and Central and Eastern Europe, this rule also liberalizes export controls on computers. For the former Soviet Union, China and certain other countries, U.S. export controls will focus on computers intended for military and proliferation end-uses or

users, and ease controls on exports of computers to civilian customers. Finally, there will be no change in current policy for computer shipments to terrorist countries, with the exception of the addition of Sudan to ECCNs 4A94F, 4D94F, 4E94F, and Computer Tier 4 (a grouping of terrorist countries, for the purpose of computer controls).

This decision will streamline validated license requirements for U.S. computer manufacturers of computers that are, or will be in the next two years, widely available in the international market place.

DATES: *Effective Date:* This rule is effective January 22, 1996.

Comment Date: Comments must be received by February 26, 1996.

ADDRESSES: Written comments (six copies) should be sent to Sharron Cook, Office of Exporter Services, Bureau of Export Administration, Department of Commerce, P.O. Box 273, Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT: For general information contact Sharron Cook, Regulatory Policy Division, Bureau of Export Administration, Telephone: (202) 482–2440.

For technical information contact Joseph Young, Strategic Trade Division, Bureau of Export Administration, Telephone: (202) 482–4197.

SUPPLEMENTARY INFORMATION:

Background

When controls were last revised in 1993, the Administration recognized that computer technology would continue to change rapidly—and that it would need to review control levels within 18 to 24 months. Accordingly, for the past several months, the Administration has conducted a review of computer export controls that took into account (1) the rapid advance of computing technology since 1993, (2) our security and nonproliferation interests, and (3) the need for a policy that would remain effective over the next 18 to 24 months.

This review found that enormous advances in the power and capabilities of computing systems coming into widespread commercial use have occurred and will continue to occur over the next two years. The commercial computer market is being transformed by the emergence of workstations containing multiple high-speed microprocessors, the ready availability of high-speed communications links, and the continuing rapid progress in software to permit difficult problems to run in parallel and on networks.

Based on these developments, the Administration has determined that

computers capable of up to 7,000 million theoretical operations per second (MTOPS) will become widely available in open international markets within the next two years. The Administration has also determined that computers with performance capabilities at and above 10,000 MTOPS have a significant number of strategic applications.

The new computer export controls found in this rule are to implement the following goals, as stated by the President:

To permit the government to calibrate control levels and licensing conditions depending upon the national security or proliferation risk posed by exports to a specific destination;

To enhance U.S. national security and preserve the U.S. computer industrial base by ensuring controls on computer exports are effective and do not unnecessarily impede legitimate computer exports; and

To permit the government to track global sales, thereby illuminating how high performance computing may be used to pursue critical military applications.

In this interim rule, the term "supercomputer" and the separate supercomputer section in § 776.11 have been removed. The majority of the new computer controls can now be found in § 776.10 that generally pertains to computers. Because the term supercomputer was removed from the EAR, all such references have been removed.

Within General License GCG, § 771.14, the supercomputer restriction is removed, with the exception that, "*no computers* with a CTP greater than 10,000 MTOPS may be exported to Argentina, Hong Kong, South Korea, Singapore, and Taiwan without a validated license." This is consistent with the President's announcement of October 6, 1995, which provides a ceiling for the CTP level for which general licenses can be used for these countries, except Taiwan and Hong Kong. Hong Kong and Taiwan have a CTP limitation for computers of 10,000 MTOPS and are in Computer Tier 2, established by this rule.

In this rule, the supercomputer restriction is also removed from General Licenses G–TEMP and SAFEGUARDS. All computers are now eligible for temporary export under the provisions of General License G–TEMP. Also, all computers are now eligible for export to the International Atomic Energy Agency (IAEA) under the provisions of General License SAFEGUARDS.

A new General License G–CTP is established by this rule under § 771.28. This general license authorizes the export of computers and specially

designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system. These items will be eligible for export to Computer Tier 1, 2 and 3 countries, for consumption therein. CTP restrictions will correspond to the different Computer Tiers under the provisions of § 771.28.

Other areas significantly revised are those dealing with support documentation for computer export and reexport applications, and amendment requests. Currently, exporters must submit certain supporting documents to BXA. This rule authorizes exporters of computers of unlimited CTP to retain the required support documentation, i.e., BXA–629P (Statement by Ultimate Consignee and Purchaser), International Import Certificate (IC), People's Republic of China End-User Certificate, Indian IC, Bulgarian IC, Czech IC, Hungarian IC, Polish IC, Romanian IC, or Slovak IC, when submitting an application for export, reexport or amendment.

Another area of liberalization is Special Licenses. Supplement No. 1 to part 773 (Commodities Excluded from the Special License Procedures) has been revised to make all computers eligible for export under special licenses. Exporters may now submit requests for computers of unlimited CTP to be considered for special licenses.

This rule also makes changes to permissive reexport authority (§ 774.2). Computers of unlimited CTP are eligible for permissive reexport to and among the former COCOM participating and cooperating countries, with the exception of Hong Kong and South Korea. Hong Kong and South Korea will be limited to a CTP of 10,000 MTOPS, because these countries fall within Computer Tier 2.

Section 776.10, ''Electronic Computers and Related Equipment'', has been revised by adding paragraphs to implement the new computer reform. The newly added paragraphs provide safeguard conditions, list recordkeeping requirements, indicate general license availability, and establish four Computer Country Tiers with corresponding license requirements and policy.

Each country of the world is included in one of the Computer Tiers, including those countries not specifically specified in the President's announcement of October 6, 1995. Computer Tier 1 consists of Western Europe, Turkey, Japan, Canada, Mexico, Australia, and New Zealand. Persons may export computers of unlimited CTP and specially designed components

therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system to these countries using General License G–DEST or G–CTP (depending on the CTP of the computer). The rule provides for permissive reexports to and among these countries under § 774.2(a)(1).

Examples of the countries that can be found in Computer Tier 2 are all the countries within Country Group T (except Mexico), South Korea, ASEAN countries, Hungary, Poland, the Czech Republic, the Slovak Republic, Slovenia, and South Africa. A complete listing of all the countries included in Computer Tier 2 can be found in this rule under § 776.10. For these countries, exports of computers with a CTP less than or equal to 10,000 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system are authorized under General License G–DEST or G–CTP (depending on the CTP of the computer). Validated licenses are required for computers with a CTP greater than 10,000 MTOPS.

Examples of countries that are in Computer Tier 3 are India, China, Vietnam, Pakistan, and countries of the Middle East, Maghreb, the former Soviet Union, and the balance of Eastern Europe, i.e., those Eastern European countries not included in Computer Tier 2. For a list of countries that fall into Computer Tier 3, see § 776.10. Exports to Computer Tier 3 countries are authorized under General License G–DEST for computers less than or equal to 2,000 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system. Exports to permitted end-users and end-uses located in countries in Computer Tier 3 are authorized under General License G–CTP for computers greater than 2,000 MTOPS but less than or equal to 7,000 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system. General License G–CTP is not authorized for exports and reexports to Computer Tier 3 for military end-users and end-uses and nuclear, chemical, biological, or missile end-users and end-uses defined in part 778. A validated license is required for all consignees for computers with a CTP greater than 7,000 MTOPS.

As provided in the President's announcement, the U.S. will ''continue

to deny computer technology to terrorist countries around the world''. The countries identified by the Secretary of State as terrorist supporting are included in Computer Tier 4. They include Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria. Different licensing requirements apply to each country in this Computer Country Tier.

The President's announcement included a decision to continue to deny computer technology to terrorist countries. This rule adds Sudan to the list of countries requiring a validated license under ECCN 4A94F, 4D94F, and 4E94F. Another rule will be published in the near future that will completely revise the Export Administration Regulations pertaining to Sudan.

Safeguard conditions may be applied at the discretion of the U.S. Government. A list of safeguard conditions that may appear on validated licenses are listed in § 776.10(h).

Exporters should be aware of the special recordkeeping requirements for computers. This rule requires exporters to keep records relating to each export of a computer with a CTP equal to or greater than 2,000 MTOPS. These records must include the date of shipment, name and address of the end-user and each intermediate consignee, CTP of each computer in shipment, volume of computers in shipment, end-use, and dollar value of shipment.

General Licenses GCT and GFW have been revised to conform with the revisions of this rule. However, you are informed that the CTP eligibility levels of General License G–DEST and the new General License G–CTP far exceed the historic CTP eligibility levels of General Licenses GCT and GFW and that it may be to your benefit to use G–DEST or G–CTP instead of GCT and GFW. The authorities of General Licenses GCT and G–CTP overlap for computers but not for all transactions involving peripherals exported separately from computer systems. At the urging of some exporters, this rule maintains General License GCT because it will remain useful to authorize the export of certain peripherals when not exported with a computer system eligible for General License G–CTP.

Specially designed components, exported separately or as part of a system, and related equipment therefore when exported with computer systems meeting the eligibility requirements for a general license will also be eligible under the same general license as the computer. General licenses are not available for exports of items the exporter knows will be used to enhance the CTP of a computer beyond the

technical parameters of the general license.

When evaluating your computer to determine general license eligibility, use the CTP parameter to the exclusion of other technical parameters for computers classified under ECCN 4A03A; with the exception of parameters specified as controlled for Missile Technology (MT) concerns and 4A03A.e (Equipment performing analog-to-digital or digital-to-analog conversions exceeding the limits in ECCN 3A01A.a.5). For example, if you have a graphic workstation with a CTP of 5,000 MTOPS, that includes a graphic accelerator with a 3D vector rate of 10 million vectors/second, destined for a civil end-user and end-use in India— you may export the graphic workstation to India using General License G–CTP.

This rule imposes an immediate recordkeeping requirement and alerts exporters to a future reporting requirement for computer exports. These requirements are included in part in light of the information sharing commitments the United States expects to announce in the near future in connection with the new multilateral regime that will replace the Coordinating Committee on Export Controls (COCOM) to control the export of arms and sensitive dual-use goods and technologies. The recordkeeping requirement takes effect immediately upon filing of the rule. It is expected that exports of computers above 2,000 MTOPS to certain destinations will become subject to the reporting requirement once the initial elements of the new multilateral regime are adopted. The date on which the reporting requirement is triggered, and the date on which the first report will be due, will be included in a future Federal Register notice.

This rule liberalizes the parts and components rule found in § 776.12 of the EAR. It makes the *de minimis* exclusions available to computers that were previously supercomputers.

All the changes to the Commerce Control List (CCL) pertain to Category 4. This rule revises Foreign Policy controls for computers. The computer-related FP controls of this rule apply to all destinations except Japan and to items that require a license depending upon the destinations specified in the Computer Country Tiers. For example, Computer Tier 1 does not require a validated license for exports of computers, so there are no computer-related FP controls for exports of computers to these countries.

Saving Clause

Shipments of items removed from general license authorizations as a result of this regulatory action that were on dock for loading, on lighter, laden aboard an exporting carrier, or en route aboard carrier to a port of export pursuant to actual orders for export before February 8, 1996 may be exported under the previous general license provisions up to and including February 22, 1996. Any such items not actually exported before midnight February 22, 1996, require a validated export license in accordance with this regulation.

Although the Export Administration Act (EAA) expired on August 20, 1994, the President invoked the International Emergency Economic Powers Act and continued in effect, to the extent permitted by law, the provisions of the EAA and the EAR in Executive Order 12924 of August 19, 1994, as extended by the President's notice of August 15, 1995 (60 Fed. Reg. 42767).

Rulemaking Requirements

1. This interim rule has been determined to be significant for purposes of Executive Order 12866.

2. This rule involves collections of information subject to the Paperwork Reduction Act of 1995. These collections have been approved by the Office of Management and Budget (OMB) under control numbers 0694–0002, 0694–0005, 0694–0006, 0694–0010, 0694–0013, 0694–0015, 0694–0017, 0694–0021, 0694–0029, and 0694–0064. The rule also contains information requirements that have been approved by OMB under 0694–0073. The usage and computer authorization logs are estimated to average 5 minutes each, monthly reports are estimated at 30 minutes, and recordkeeping requirements on export transactions are estimated at 2 minutes. Each of the reporting burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding these estimates to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 and to the Bureau of Export Administration, Director of Administration, Room 3889, Department of Commerce, Washington, DC 20230. Notwithstanding any other provision of law, no person is required to respond to nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number.

3. This rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612.

4. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by section 553 of the Administrative Procedure Act (5 U.S.C. 553) or by any other law, under section 3(a) of the Regulatory Flexibility Act (5 U.S.C. 603(a) and 604(a)) no initial or final Regulatory Flexibility Analysis has to be or will be prepared.

5. The provisions of the Administrative Procedure Act, (5 U.S.C. 553), requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military or foreign affairs function of the United States. No other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this rule.

However, because of the importance of the issues raised by these regulations, this rule is issued in interim form and comments will be considered in the development of final regulations.

Accordingly, the Department encourages interested persons who wish to comment to do so at the earliest possible time to permit the fullest consideration of their views.

The period for submission of comments will close February 26, 1996. The Department will consider all comments received before the close of the comment period in developing final regulations. Comments received after the end of the comment period will be considered if possible, but their consideration cannot be assured. The Department will not accept public comments accompanied by a request that a part or all of the material be treated confidentially because of its business proprietary nature or for any other reason. The Department will return such comments and materials to the person submitting the comments and will not consider them in the development of final regulations. All public comments on these regulations will be a matter of public record and will be available for public inspection and copying. In the interest of accuracy and completeness, the Department requires comments in written form.

Oral comments must be followed by written memoranda, which will also be a matter of public record and will be available for public review and copying.

Communications from agencies of the United States Government or foreign governments will not be made available for public inspection.

The public record concerning these regulations will be maintained in the Bureau of Export Administration Freedom of Information Records Inspection Facility, Room 4525, Department of Commerce, 14th Street and Pennsylvania Avenue, NW., Washington, DC 20230. Records in this facility, including written public comments and memoranda summarizing the substance of oral communications, may be inspected and copied in accordance with regulations published in Part 4 of Title 15 of the Code of Federal Regulations. Information about the inspection and copying of records at the facility may be obtained from Theodore Zois, Bureau of Export Administration Freedom of Information Officer, at the above address or by calling (202) 482–1525.

List of Subjects

15 CFR Part 770

Administrative practice and procedure, Exports.

15 CFR Parts 771, 772, 773, 774, 775, 776, 786 and 799

Exports, Reporting and recordkeeping requirements.

15 CFR Part 785

Communist countries, Exports.

15 CFR Part 787

Boycotts, Exports, Law enforcement, Penalties, Reporting and recordkeeping requirements.

Accordingly, parts 770, 771, 772, 773, 774, 775, 776, 785, 786, 787 and 799 of the Export Administration Regulations (15 CFR parts 730–799) are amended as follows:

1. The authority citation for 15 CFR parts 770, 771, 774, 786, 787 and 799 is revised to read as follows:

Authority: Pub. L. 90–351, 82 Stat. 197 (18 U.S.C. 2510 *et seq.*), as amended; Pub. L. 95–223, 91 Stat. 1626 (50 U.S.C. 1701 *et seq.*); Pub. L. 95–242, 92 Stat. 120 (22 U.S.C. 3201 *et seq.* and 42 U.S.C. 2139a); Pub. L. 96–72, 93 Stat. 503 (50 U.S.C. App. 2401 *et seq.*), as amended [(extended by Pub. L. 103–10, 107 Stat. 40 and by Pub. L. 103–277, 108 Stat. 1407)]; Pub. L. 102–484, 106 Stat. 2575 (22 U.S.C. 6004); E.O. 12002 of July 7, 1977 (42 FR 35623, July 7, 1977), as amended; E.O. 12058 of May 11, 1978 (43 FR 20947, May 16, 1978); E.O. 12214 of May 2, 1980 (45 FR 29783, May 6, 1980); E.O. 12735 of November 16, 1990 (55 FR 48587, November 20, 1990), as continued by Notice of November 12, 1993 (58 FR 60361, November 15, 1993); E.O. 12851 of June 11, 1993 (58 FR 33181, June 15, 1993); E.O. 12867 of September 30, 1993

(58 FR 51747, October 4, 1993); E.O. 12930 of September 29, 1994 (59 FR 50475, October 3, 1994); E.O. 12924 of August 19, 1994 (59 FR 43437 of August 23, 1994); E.O. 12930 (59 FR 50475 of October 3, 1994); and Notice of August 15, 1995 (60 FR 42767).

2. The authority citation for 15 CFR parts 773, 775, 778, and 785 continues to read as follows:

Authority: Pub. L. 90–351, 82 Stat. 197 (18 U.S.C. 2510 *et seq.*), as amended; Pub. L. 95–223, 91 Stat. 1626 (50 U.S.C. 1701 *et seq.*); Pub. L. 95–242, 92 Stat. 120 (22 U.S.C. 3201 *et seq.* and 42 U.S.C. 2139a); Pub. L. 96–72, 93 Stat. 503 (50 U.S.C. App. 2401 *et seq.*), as amended; sec. 125, Pub. L. 99–64, 99 Stat. 156 (46 U.S.C. 466c); E.O. 12002 of July 7, 1977 (42 FR 35623, July 7, 1977), as amended; E.O. 12058 of May 11, 1978 (43 FR 20947, May 16, 1978); E.O. 12214 of May 2, 1980 (45 FR 29783, May 6, 1980); E.O. 12867 of September 30, 1993 (58 FR 51747 of October 4, 1993); E.O. 12924 of August 19, 1994 (59 FR 43437, August 23, 1994); E.O. 12938 of November 14, 1994 (59 FR 59099 of November 16, 1994); and Notice of August 15, 1995 (60 FR 42767).

3. The authority citation for 15 CFR part 776 continues to read as follows:

Authority: Pub. L. 90–351, 82 Stat. 197 (18 U.S.C. 2510 *et seq.*), as amended; Pub. L. 95–223, 91 Stat. 1626 (50 U.S.C. 1701 *et seq.*); Pub. L. 95–242, 92 Stat. 120 (22 U.S.C. 3201 *et seq.* and 42 U.S.C. 2139a); Pub. L. 96–72, 93 Stat. 503 (50 U.S.C. App. 2401 *et seq.*), as amended; sec. 125, Pub. L. 99–64, 99 Stat. 156 (46 U.S.C. 466c); E.O. 12002 of July 7, 1977 (42 FR 35623, July 7, 1977), as amended; E.O. 12058 of May 11, 1978 (43 FR 20947, May 16, 1978); E.O. 12214 of May 2, 1980 (45 FR 29783, May 6, 1980); E.O. 12867 of September 30, 1993 (58 FR 51747 of October 4, 1993); E.O. 12924 of August 19, 1994 (59 FR 43437, August 23, 1994); E.O. 12938 of November 14, 1994 (59 FR 59099 of November 16, 1994); and Notice of August 15, 1995 (60 FR 42767).

PART 770—[AMENDED]

§ 770.2   [Amended]

4. In § 770.2 the definition for ''Supercomputer'' is removed.

PART 771—[AMENDED]

§ 771.14   [Amended]

5. Section 771.14 is amended by revising the phrase ''No supercomputers may be exported under this general license.'' to read ''No computers with a CTP greater than 10,000 MTOPS may be exported to Argentina, Hong Kong, South Korea, Singapore, and Taiwan under this general license.'', in paragraph (d)(2).

§ 771.22   [Amended]

6. Section 771.22 is amended by removing and reserving paragraph (c)(2)(i).

7. Section 771.26 is amended by revising paragraph (b), to read as follows:

§ 771.26   General license SAFEGUARDS; international safeguards.

*   *   *   *   *

(b) *Exclusions.* No computers with a CTP greater than 7,000 MTOPS to countries listed in Computer Tiers 3 and 4 (see § 776.10 of this subchapter for a complete list of the countries within Computer Tiers 3 and 4).

5. Part 771 is amended by adding a new § 771.28 to read as follows:

§ 771.28   General License G–CTP; exports of computers.

(a) *Scope.* General License G–CTP is established subject to the provisions of this section authorizing exports of computers and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system, for consumption in Computer Tier countries as provided by this section. When evaluating your computer to determine General License G–CTP eligibility, use the CTP parameter to the exclusion of other technical parameters for computers classified under ECCN 4A03A; with the exception of parameters specified as Missile Technology (MT) concerns, 4A03A.e (equipment performing analog-to-digital or digital-to-analog conversions exceeding the limits in ECCN 3A01A.a.5), and graphic accelerators or graphic coprocessors exceeding a ''3–D vector rate'' of 10,000,000.

(b) *Computer Tier 1.* (1) *Eligible countries.* The countries that are eligible to receive exports under this general license are Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, the Holy See, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Mexico, Monaco, Netherlands, New Zealand, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey, and the United Kingdom.

(2) *Eligible Computers.* The computers eligible for General License G–CTP, are those with a CTP greater than 2,000 MTOPS.

(c) *Computer Tier 2.* (1) *Eligible countries.* The countries that are eligible to receive exports under this general license include all countries in Country

Group T [11] (except Mexico), Antigua and Barbuda, Bangladesh, Benin, Bhutan, Botswana, Brunei, Burkina Faso, Burma (Myanmar), Burundi, Cambodia, Cameroon, Cape Verde, Central Africa, Chad, Congo, Cote d'Ivoire, Cyprus, Czech Republic, Dominica, Equatorial Guinea, Eritrea, Ethiopia, Fiji, Gabon, Gambia (The), Ghana, Grenada, Guinea, Guinea-Bissau, Hong Kong, Hungary, Indonesia, Kenya, Kiribati, Korea (Republic of), Laos, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Marshall Islands, Mauritius, Micronesia (Federated States of), Mozambique, Namibia, Nauru, Nepal, Niger, Nigeria, Palau, Papua New Guinea, Philippines, Poland, Rwanda, St. Kitts & Nevis, St. Lucia, St. Vincent and Grenadines, Sao Tome & Principe, Senegal, Seychelles, Sierra Leone, Singapore, Slovak Republic, Slovenia, Solomon Islands, Somalia, South Africa, Sri Lanka, Swaziland, Taiwan, Tanzania, Togo, Tonga, Thailand, Tuvalu, Uganda, Western Sahara, Western Samoa, Zaire, Zambia, and Zimbabwe.

(2) *Eligible computers.* The computers eligible for General License G–CTP, are those having a Composite Theoretical Performance (CTP) greater than 2000, but equal to or less than 10,000 Millions of Theoretical Operations Per Second (MTOPS).

(d) *Computer Tier 3.* (1) *Eligible countries.* The countries that are eligible to receive exports under this general license are Afghanistan, Albania, Algeria, Andorra, Angola, Armenia, Azerbaijan, Bahrain, Belarus, Bosnia & Herzegovina,[12] Bulgaria, China (People's Republic of), Comoros, Croatia,[13] Djibouti, Egypt, Estonia, Georgia, India, Israel, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Laos, Latvia, Lebanon, Lithuania, Macedonia (The Former Yugoslav Republic of), Mauritania, Moldova, Mongolia, Morocco, Oman, Pakistan, Qatar, Romania, Russia, Saudi Arabia, Serbia & Montenegro,[14] Tajikistan, Tunisia, Turkmenistan, Ukraine, United Arab Emirates, Uzbekistan, Vanuatu, Vietnam, and Yemen.

(2) *Eligible computers.* The computers eligible for General License G–CTP, are those having a Composite Theoretical Performance (CTP) greater than 2,000 Millions of Theoretical Operations Per Second (MTOPS), but less than or equal to 7,000 MTOPS.

[11] Countries included in Country Group T may be found in Supplement No. 1 topPart 770 of this subchapter.

[12] Except as provided in 31 CFR part 585.

[13] Except as provided in 31 CFR part 585.

[14] Except as provided in 31 CFR part 585.

(3) *Eligible exports.* Only exports to permitted end-users and end-uses located in countries in Computer Tier 3. General License G–CTP is not authorized for exports and reexports to Computer Tier 3 for military end-users and end-uses and nuclear, chemical, biological, or missile end-users and end-uses defined in part 778 of this subchapter. Exports under this general license may not be made to known military end-users or to known military end-uses or known proliferation end-uses or end-users defined in part 778 of this subchapter. Such exports will continue to require a validated license and will be considered on a case-by-case basis. Retransfers to military end-users or end-uses and defined proliferation end-users and end-uses in eligible countries are strictly prohibited without prior authorization.

(e) *Restrictions.* (1) Computers eligible for General License G–CTP may not be accessed either physically or computationally by nationals of Cuba, Iran, Iraq, Libya, North Korea, Sudan or Syria; except that commercial consignees described in § 776.10(j) of this subchapter are prohibited only from giving such nationals user-accessible programmability.

(2) Computers, software and specially designed technology eligible for General License G–CTP may not be reexported/retransferred without prior authorization from the Bureau of Export Administration, i.e., validated license, permissive reexport, or another general license. This restriction will be conveyed to the consignee, via the Destination Control Statement, see § 786.6 of this subchapter.

PART 772—[AMENDED]

§ 772.11 [Amended]

8. Section 772.11 is amended by revising the phrase ''amendment request, if the commodity described on the license is a supercomputer or if the country'' to ''amendment request, if the country'' in paragraph (k)(1)(i).

9. Section 772.11 is amended by revising the phrase ''(excluding the People's Republic of China) and the commodity described on the license is not a supercomputer.'' to ''(excluding the People's Republic of China).'' in paragraph (k)(1)(ii).

10. Section 772.11 is amended by revising the phrase ''amendment request, if the commodity described on the license is a supercomputer or if the country'' to ''amendment request, if the country'' in paragraph (l)(1)(i).

11. Section 772.11 is amended by revising the phrase ''(excluding the People's Republic of China) and the

commodity described on the license is not a supercomputer.'' to ''(excluding the People's Republic of China).'' in paragraph (l)(1)(ii).

PART 773—[AMENDED]

Supplement No. 1 to part 773, Commodities Excluded from the Special License Procedure is amended:

a. By removing and reserving paragraph (a); and

b. By revising paragraph (l), to read as follows:

Supplement No. 1 to Part 773—Commodities Excluded From the Special License Procedures

*   *   *   *   *

(l) Commodities subject to nuclear nonproliferation controls (see § 778.2 of this subchapter).

*   *   *   *   *

PART 774—[AMENDED]

13. In § 774.2, paragraphs (a)(1), (k)(1)(i) and (m) are revised to read as follows:

§ 774.2 Permissive reexports.[2]

*   *   *   *   *

(a) * * *

(1) May be exported directly from the United States to the new country of destination under General License G–DEST, G–TEMP,[4] GFW, GCG, G-NNR, GATS, GUS, BAGGAGE, or G–CTP.

*   *   *   *   *

(k) * * *

(1) *Except:*

(i) Computers with a CTP greater than 10,000 MTOPS to Hong Kong and South Korea.

*   *   *   *   *

(m) Reexports of computers from Japan, provided that the reexport is authorized in accordance with the licensing requirements of Japan, computers destined to Computer Tier 3 countries (See part 776.10(f) of this subchapter) that have a CTP greater than 7,000 MTOPS and computers destined to Computer Tier 2 countries (See part 776.10(e) of this subchapter) that have a CTP greater than 10,000 MTOPS.

*   *   *   *   *

§ 774.3 [Amended]

14. Section 774.3 is amended by revising the phrase ''identified in § 774.3(c)(1)(i)(A) (*1*) or (*2*) or the

[2] See § 774.9 of this subchapter for effect on foreign laws.

[4] Commodities legally exported from the United States may be reexported to a new country(ies) of destination under General License G–TEMP provided the restrictions described in § 771.22 are met and the commodities and software are returned to the country from which the reexport occurred.

commodity described on the application is a supercomputer; or'' to read ''identified in § 774.3(c)(1)(i)(A) (*1*) or (*2*), or'' in paragraph (b)(3)(i).

15. Section 774.3 is amended by revising the phrase ''listed in § 774.3(c)(1)(i)(B), except that a supporting document must be submitted when the commodity described on the application is a supercomputer.'' to read ''listed in § 774.3(c)(1)(i)(B).'' in paragraph (b)(3)(ii).

16. Section 774.3 is amended by removing the last sentence in paragraph (c)(1)(i)(B), which reads ''However, if the commodity described on the application is a supercomputer, the supporting document must be submitted with the request for reexport authorization—not retained in the applicant's records.''

§ 775.1 [Amended]

17. Section 775.1 is amended by removing the fourth sentence of paragraph (a) that reads ''However, if the commodity described on the application is a supercomputer, the supporting document shall be submitted to the Office of Export Licensing along with the application.''

§ 775.2 [Amended]

18. Section 775.2 is amended by revising the phrase ''each individual export license application where the commodity described on the application is a supercomputer or when the country'' to read ''each individual export license application where the country'' in paragraph (a)(1).

19. Section 775.2 is amended by revising the phrase ''(except for the People's Republic of China) and the commodity described on the application is not a supercomputer, a Form BXA–629P shall be retained'' to read ''(except for the People's Republic of China), a Form BXA–629P shall be retained'' in paragraph (a)(2).

§ 775.3 [Amended]

20. Section 775.3 is amended by removing the fifth sentence in paragraph (a)(1), that reads ''If the commodity described on the application is a supercomputer, the IC must be submitted to the Office of Export Licensing along with the application—not retained in the applicant's files.''

§ 775.7 [Amended]

21. Section 775.7 is amended by removing paragraph (a)(2)(iii).

§ 775.10 [Amended]

22. Section 775.10 is amended by removing and reserving paragraph (f)(1).

23. Section 775.10 is amended by revising paragraphs (g)(1) (i) and (ii),

(g)(2)(i)(A) and (g)(2)(i)(B), to read as follows:

§ 775.10 Special provisions.

*   *   *   *   *

(g) * * *

(1) * * *

(i) Submitted to the Bureau of Export Administration, along with the amendment request, if the country of ultimate destination is the People's Republic of China or a country in Country Group Q, W, Y, or Z; or

(ii) Retained in the applicant's files in accordance with the provisions of this part 775 if the country of ultimate destination is a country in Country Group S or V (except for the People's Republic of China).

(2) * * *

(i) * * *

(A) Submitted to the Bureau of Export Administration, along with the amendment request, if the country of ultimate destination is the People's Republic of China or a country in Country Group Q, W, Y, or Z; or

(B) Retained in the applicant's files in accordance with the provisions of this part 775 if the country of ultimate destination is a country in Country Group S or V (except for the People's Republic of China).

*   *   *   *   *

PART 776—[AMENDED]

24. Section 776.10 is amended by removing the parenthetical sentence at the end of paragraph (a)(1) and by adding paragraphs (d) through (m), to read as follows:

§ 776.10 Electronic computers and related equipment.

*   *   *   *   *

(d) *Computer Tier 1.*—(1) *Applicable countries.* The countries subject to the requirements of this paragraph (d) include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, the Holy See, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Mexico, Monaco, Netherlands, New Zealand, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey, and the United Kingdom.

(2) *Validated license requirement.* Except as provided in part 771.2(c) of this subchapter, no validated license is required for exports of computers to and among countries listed in paragraph (d)(1) of this section, for consumption in such countries or other disposition in accordance with the EAR.

(e) *Computer Tier 2.*—(1) *Applicable countries.* The countries subject to the requirements of this paragraph (e) include all countries in Country Group

T [2] (except Mexico), Antigua and Barbuda, Bangladesh, Benin, Bhutan, Botswana, Brunei, Burkina Faso, Burma (Myanmar), Burundi, Cambodia, Cameroon, Cape Verde, Central Africa, Chad, Congo, Cote d'Ivoire, Cyprus, Czech Republic, Dominica, Equatorial Guinea, Eritrea, Ethiopia, Fiji, Gabon, Gambia (The), Ghana, Grenada, Guinea, Guinea-Bissau, Hong Kong, Hungary, Indonesia, Kenya, Kiribati, Korea (Republic of), Laos, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Marshall Islands, Mauritius, Micronesia (Federated States of), Mozambique, Namibia, Nauru, Nepal, Niger, Nigeria, Palau, Papua New Guinea, Philippines, Poland, Rwanda, St. Kitts and Nevis, St. Lucia, St. Vincent and Grenadines, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Singapore, Slovak Republic, Slovenia, Solomon Islands, Somalia, South Africa, Sri Lanka, Swaziland, Taiwan, Tanzania, Togo, Tonga, Thailand, Tuvalu, Uganda, Western Sahara, Western Samoa, Zaire, Zambia, and Zimbabwe.

(2) *Validated license requirement.* A validated license or reexport authorization is required to export or reexport a computer having a Composite Theoretical Performance (CTP) greater than 10,000 Millions of Theoretical Operations Per Second (MTOPS) to a country in Computer Tier 2.

(3) *Licensing policy.* License applications for the countries listed in paragraph (e)(1) of this section will generally be approved.

(f) *Computer Tier 3.*—(1) *Applicable countries.* The countries subject to the requirements of this paragraph (f) include Afghanistan, Albania, Algeria, Andorra, Angola, Armenia, Azerbaijan, Bahrain, Belarus, Bosnia and Herzegovina,[3] Bulgaria, China (People's Republic of),[3] Comoros, Croatia,[4] Djibouti, Egypt, Estonia, Georgia, India, Israel, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Laos, Latvia, Lebanon, Lithuania, Macedonia (The Former Yugoslav Republic of), Mauritania, Moldova, Mongolia, Morocco, Oman, Pakistan, Qatar, Romania, Russia, Saudi Arabia, Serbia and Montenegro,[5] Tajikistan, Tunisia, Turkmenistan, Ukraine, United Arab Emirates, Uzbekistan, Vanuatu, Vietnam, and Yemen.

(2) *Validated license requirement.*

(i) A validated license or reexport authorization is required to export or

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[2]. Countries included in Country Group T may be found in Supplement No. 1 to part 770 of this subchapter.

[3] Except as provided in 31 CFR part 585.

[4] Except as provided in 31 CFR part 585.

[5] Except as provided in 31 CFR part 585.

reexport computers with a CTP greater than 2,000 MTOPS to countries in Computer Tier 3 to military end-users and end-uses and to nuclear, chemical, biological, or missile end-users and end-uses defined in part 778 of this subchapter located in Computer Tier 3 countries.

(ii) A validated license or reexport authorization is required to export or reexport computers with a CTP greater than 7,000 MTOPS to all end-users and end-uses located in countries in Computer Tier 3.

(3) *Licensing policy.* License applications for exports and reexports to military end-users and end-uses and nuclear, chemical, biological, or missile end-users and end-uses defined in part 778 of this subchapter located in countries in Computer Tier 3 will be reviewed on a case-by-case basis using the following criteria:

(i) The presence and activities of countries and end-users of national security and proliferation concern and the relationships that exist between the government of the importing country and such countries and end-users;

(ii) The ultimate consignee's participation in, or support of, any of the following:

(A) Activities that involve national security concerns; or

(B) Nuclear, chemical, biological or missile proliferation activities described in part 778 of this subchapter;

(iii) The extent to which the importing country is involved in nuclear, chemical, biological, or missile proliferation activities described in part 778 of this subchapter;

(iv) The end-user, whether the end-use is single-purpose or multiple-purpose.

(4) *Licensing policy for other end-uses and end-users.* Licenses applications for exports and reexports to other end-users and end-uses located in countries in Computer Tier 3 will generally be approved.

(g) *Computer Tier 4.* (1) *Applicable countries.* The countries subject to the requirements of this paragraph (g) include Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria.

(2) *Validated license requirement.* A validated license or reexport authorization is required to export or reexport to any end-user in Syria or Sudan computers with a CTP equal to or greater than 6 MTOPS. For validated license requirements for export or reexport of all computers, regardless of CTP, to Cuba, Iran, Iraq, Libya, and North Korea, see the following paragraphs:

(i) *Cuba.* You will need a license to export or reexport all computers to Cuba, unless your transaction meets all the applicable terms and conditions of any BXA General License, see part 771 of this subchapter. Examples of General Licenses that may be considered for use to export or reexport computers include G-TEMP (by the news media), BAGGAGE, GUS, GIFT, SAFEGUARDS, and GLR. Also see the Office of Foreign Assets Control's Regulations for Cuba (31 CFR part 515).

(ii) *Iran.* The Office of Foreign Assets Control (OFAC), within the Department of the Treasury, administers an embargo against Iran under the authority of the International Emergency Economic Powers Act (see 31 CFR part 560), which prohibits certain transactions with Iran, including imports, exports, and certain reexports. The export and reexport controls apply to transfers not only to Iran, but also to the Government of Iran or any entity owned or controlled by the Government of Iran. If you are a U.S. person, you should consult with OFAC for authorization to export or reexport items subject to U.S. jurisdiction to Iran, or to any entity owned or controlled by, or specially designated as acting for or on behalf of, the Government of Iran. An authorization from OFAC constitutes authorization under the EAR, and no license from BXA is necessary.

(iii) *Iraq.* The Office of Foreign Assets Control (OFAC), within the Department of the Treasury, administers an embargo against Iraq under the authority of the International Emergency Economic Powers Act of 1977 and in conformance with United Nations Security Council Resolutions. The applicable OFAC regulations, the Iraqi Sanctions Regulations, are found at 31 CFR part 575. You should consult with OFAC for authorization to export or reexport items subject to U.S. jurisdiction to Iraq, or to any entity owned or controlled by, or specially designated as acting for or on behalf of, the Government of Iraq. An authorization from OFAC constitutes authorization under the EAR, and no license from BXA is necessary. You may not use any BXA general licenses or other BXA authorization to export or reexport to Iraq, except for General Licenses BAGGAGE and GUS, as recognized in OFAC's Iraqi Sanctions Regulations (31 CFR 575.507).

(iv) *Libya.* The Department of the Treasury and the Department of Commerce maintain comprehensive controls on exports and reexports to Libya. The Department of the Treasury, Office of Foreign Assets control (OFAC) maintains comprehensive controls on export and transshipments to Libya under the Libyan Sanctions Regulations (31 CFR part 550). To avoid duplicate licensing procedures, OFAC and BXA have allocated licensing responsibility as follows: OFAC licenses direct exports and transshipments to Libya; BXA licenses reexports, exports of foreign manufactured items containing U.S.-origin parts, components or materials, and exports of foreign-produced direct product of U.S. technology or software. Issuance of an OFAC license constitutes authorization under the EAR, and no license from BXA is necessary. Exports and reexports subject to the EAR that are not subject to the Libyan Sanctions Regulations continue to require authorization from BXA.

(v) *North Korea.* You will need a license to export or reexport all computers to North Korea, unless your transaction meets all the applicable terms and conditions of a general license, see part 771 of this subchapter. Examples of general licenses that may used to export or reexport computers include General License G-TEMP (by the news media), BAGGAGE, GUS, GIFT, SAFEGUARDS, and GLR. Also see the Office of Foreign Assets Control's Regulations for Cuba (31 CFR part 500).

(3) *Licensing policy.* Applications to export or reexport computers to terrorist countries will generally be denied. See also part 785 of this subchapter for greater detail concerning the licensing policy for most of these countries.

(h) *Safeguard conditions.* Following interagency review of the application, the Bureau of Export Administration will instruct the exporter to submit a safeguard plan signed by the ultimate consignee and certified by the export control authorities of the importing country (see paragraph (i) of this section for certification by government of importing country). The safeguard plan must indicate that the ultimate consignee agrees to implement those safeguards required by the Bureau of Export Administration as a condition of issuing the license. The Bureau of Export Administration will inform exporters concerning which of the following safeguards will be required as license conditions:

(1) The applicant will assume responsibility for providing adequate security against physical diversion of the computer during shipment (e.g., delivery by either attended or monitored shipment, using the most secure route possible—this precludes using the services or facilities of any country listed in paragraph (g) of this section, i.e, Computer Tier 4 countries).

(2) There will be *no* reexport or intra-country transfer of the computer without prior written authorization from the Bureau of Export Administration.

(3) The computer systems will be used only for those activities approved on the license or reexport authorization.

(4) There will be no changes either in the end-users or the end-uses indicated on the license without prior written authorization by the Bureau of Export Administration.

(5) Only software that supports the approved end-uses will be shipped with the computer system.

(6) The end-user will station security personnel at the computer using facility to ensure that the appropriate security measures are implemented.

(7) The exporter will station representatives at the computer using facility, or make such individuals readily available, to guide the security personnel in the implementation and operation of the security measures.

(8) The security personnel will undertake the following measures under the guidance of the exporter's representatives:

(i) The physical security of the computer using facility;

(ii) The establishment of a system to ensure the round-the-clock supervision of computer security;

(iii) The inspection, if necessary, of any program or software to be run on the computer system in order to ensure that all usage conforms to the conditions of the license;

(iv) The suspension, if necessary, of any run in progress and the inspection of any output generated by the computer to determine whether the program runs or output conform with the conditions of the license;

(v) The inspection of usage logs daily to ensure conformity with the conditions of the license and the retention of records of these logs for at least a year;

(vi) The determination of the acceptability of computer users to ensure conformity with the conditions of the license;

(vii) The immediate reporting of any security breaches or suspected security breaches to the government of the importing country and to the exporter's representatives;

(viii) The execution of the following key tasks:

(A) Establishment of new accounts;

(B) Assignment of passwords;

(C) Random sampling of data;

(D) Generation of daily logs;

(ix) The maintenance of the integrity and security of tapes and data files containing archived user files, log data, or system backups.

(9) The exporter's representatives will be present when certain key functions are being carried out (e.g., the establishment of new accounts, the assignment of passwords, the random sampling of data, the generating of daily logs, the setting of limits to computer resources available to users in the development mode, the certification of programs for conformity to the approved end-uses before they are allowed to run in the production mode, and the modification to previously certified production programs).

(10) The security personnel and the exporter's representatives will provide monthly reports on the usage of the computer system and on the implementation of the safeguards.

(11) The computer system will be housed in one secure building and protected against theft and unauthorized entry at all times.

(12) Restricted nationals, i.e., nationals of Computer Tier 4 countries, will not be allowed access to computers:

(i) No physical or computational access to computers may be granted to restricted nationals without prior written authorization from the Bureau of Export Administration, except that commercial consignees described in paragraph (j) of this section are prohibited only from giving such nationals user-accessible programmability without prior written authorization;

(ii) No passwords or IDs may be issued to restricted nationals;

(iii) No work may be performed on the computer on behalf of restricted nationals; and

(iv) No conscious or direct ties may be established to networks (including their subscribers) operated by restricted nationals.

(13) Physical access to the computer, the operator consoles, and sensitive storage areas of the computer using facility will be controlled by the security personnel, under the guidance and monitoring of the exporter's representatives, and will be limited to the fewest number of people needed to maintain and run the computer system.

(14) The computer will be equipped with the necessary software to: permit access to authorized persons only, detect attempts to gain unauthorized access, set and maintain limits on usage, establish accountability for usage, and generate logs and other records of usage. This software will also maintain the integrity of data and program files, the accounting and audit system, the password or computational access control system, and the operating system itself.

(i) The operating system will be configured so that all jobs can be designated and tracked as either program development jobs or as production jobs.

(ii) In the program development mode, users will be free, following verification that their application conforms to the agreed end-use, to create, edit, or modify programs, to use utilities such as editors, debuggers, or compilers and to verify program operation. Programs in the development mode will be subject to inspection as provided by paragraph (h)(8)(iii) of this section.

(iii) In the production mode, users will have access to the full range of computer resources, but will be prohibited from modifying any program or using utilities that could modify any program. Before being allowed to run in the production mode, a program will have to be certified for conformity to approved end-uses by the security personnel and the exporter's representatives.

(iv) Programs certified for execution in the production mode will be protected from unauthorized modification by appropriate software and physical security measures. Any modifications to previously certified production programs will be approved by the security personnel under the guidance and monitoring of the exporter's representatives.

(v) The computer will be provided with accounting and audit software to ensure that detailed logs are maintained to record all computer usage. A separate log of security-related events will also be kept.

(vi) For each job executed in the production mode, the operating system will record execution characteristics in order to permit generation of a statistical profile of the program executed.

(15) The source code of the operating system will be accessible only to the exporter's representatives. Only those individuals will make changes in this source code.

(16) The security personnel, under the guidance of the exporter's representatives, will change passwords for individuals frequently and at unpredictable intervals.

(17) The security personnel, under the guidance of the exporter's representatives, will have the right to deny passwords to anyone. Passwords will be denied to anyone whose activity does not conform to the conditions of the license.

(18) Misuse of passwords by users will result in denial of further access to the computer.

(19) The exporter's representatives will install a strict password system and provide guidance on its implementation.

(20) Only the exporter's representatives will be trained in

making changes in the password system and only they will make such changes.

(21) No computer will be networked to other computers outside the computer center without prior authorization from the Bureau of Export Administration.

(22) Generally, remote terminals will not be allowed outside the computer using facility without prior authorization by the Bureau of Export Administration. If remote terminals are specifically authorized by the license:

(i) The terminals will have physical security equivalent to the safeguards at the computer using facility;

(ii) The terminals will be constrained to minimal amounts of computer resources (CPU time, memory access, number of input-output operations, and other resources);

(iii) The terminals *will not* be allowed direct computational access to the computer (i.e., the security personnel, under the guidance of the exporter's representatives, will validate the password and identity of the user of any remote terminals before any such user is permitted to access the computer)—all terminals will be connected to the computer system by a dedicated access line and a network access controller.

(23) There will be no direct input to the computer from remote terminals. Any data originating from outside the computer using facility, except for direct input from terminals within the same compound as the computer using facility, will first be processed by a separate processor or network access controller in order to permit examination of the data prior to its entry into the computer.

(24) The exporter will perform all maintenance of the computer system.

(25) Spare parts kept on site will be limited to the minimum amount. Spares will be kept in an area accessible only to the exporter's representatives. These representatives will maintain a strict audit system to account for all spare parts.

(26) No development or production technology on the computer system will be sent with the computer to the ultimate consignee.

(27) The end-user must immediately report any suspicions or facts concerning possible violations of the safeguards to the exporter and to the export control authorities of the importing country.

(28) The exporter must immediately report any information concerning possible violations of the safeguards to the Bureau of Export Administration. A violation of the safeguards might constitute grounds for suspension or termination of the license, preventing

the shipment of unshipped spare parts, or the denial of additional licenses for spare parts, etc.

(29) The end-user will be audited quarterly by an independent consultant who has been approved by the export control authorities of the importing and exporting countries, but is employed at the expense of the end-user. The consultant will audit the computer usage and the implementation of the safeguards.

(30) The installation and operation of the computer will be coordinated and controlled by the following management structure:

(i) *Steering Committee.* The Steering Committee will comprise nationals of the importing country who will oversee the management and operation of the computer.

(ii) *Security Staff.* The Security Staff will be selected by the end-user or the government of the importing country to ensure that the required safeguards are implemented. This staff will be responsible for conducting an annual audit to evaluate physical security, administrative procedures, and technical controls.

(iii) *Technical Consultative Committee.* This committee will comprise technical experts from the importing country and the exporting company who will provide guidance in operating and maintaining the computer. At least one member of the committee will be an employee of the exporter. The committee will approve all accounts and maintain an accurate list of all users. In addition, the committee will advise the Steering Committee and the Security Staff concerning the security measures needed to ensure compliance with the safeguards required by the license.

(31) An ultimate consignee who is a multiple-purpose end-user, such as a university, will establish a peer review group comprising experts who represent each department or application area authorized for use on the computer under the conditions of the license. This group shall have the following responsibilities:

(i) Review all requests for computer usage and make recommendations concerning the acceptability of all projects and users;

(ii) Submit these recommendations to the Security Staff and Technical Consultative Committee for review and approval (see paragraph (h)(28) of this section);

(iii) Establish acceptable computer resource parameters for each project and review the results to verify their conformity with the authorized end-uses, restrictions, and parameters; and

(iv) Prepare monthly reports that would include a description of any runs exceeding the established parameters and submit them to the security staff.

(32) The end-user will also cooperate with any post-shipment inquiries or inspections by the U.S. Government or exporting company officials to verify the disposition and/or use of the computer, including access to the following:

(i) Usage logs, which should include, at a minimum, computer users, dates, times of use, and amount of system time used;

(ii) Computer access authorization logs, which should include, at a minimum, computer users, project names, and purpose of projects.

(33) The end-user will also cooperate with the U.S. Government or exporting company officials concerning the physical inspection of the computer using facility, on short notice, at least once a year and will provide access to all data relevant to computer usage. This inspection will include:

(i) Analyzing any programs or software run on the computer to ensure that all usage complies with the authorized end-uses on the license. This will be done by examining user files (e.g., source codes, machine codes, input/output data) that are either on-line at the time of the inspection or that have been previously sampled and securely stored.

(ii) Checking current and archived usage logs for conformity with the authorized end-uses and the restrictions imposed by the license.

(iii) Verifying the acceptability of all computer users in conformity with the authorized end-uses and the restrictions imposed by the license.

(34) Usage requests that exceed the quantity of monthly CPU time specified on the license shall not be approved without prior written authorization from the Bureau of Export Administration. Requests for computational access approval shall include a description of the intended purpose for which access is sought.

(35) (i) In addition to, or in lieu of, the normal access by on-site exporting company staff or its representatives, the company, when required by the exporting government, will provide a separate remote electronic access capability to the computer for the purposes of maintenance, troubleshooting, inspection of work in progress, and auditing of all work performed on the computer. On-site and central exporting company hardware and software maintenance facilities, at the direction of the exporting company staff or its representatives, to gather information such as:

(A) Statistical profiles of production jobs;

(B) Logs of jobs run in both production and development mode;

(C) Logs and reports of security related events.

(ii) If such method is used, the remote maintenance facilities will be considered part of the operating system and protected accordingly, and will be available only to exporting company operational staff or its representatives. The maintenance hardware and software and associated communication links will be protected to ensure the integrity and authenticity of data and programs and to prevent tampering with hardware.

(36) The export company staff or its representatives will be required to provide personnel for a specified period of time at the computer facility for management, operation, and safeguarding of the computer.

(i) *Certification by export control authorities of importing country.*

(1) The following importing government certification is required by paragraph (h) of this section:

This is to certify that (*name of ultimate consignee*) has declared to (*name of appropriate foreign government agency*) that the computer (*model name*) will be used only for the purposes specified in the end-use statement and that the ultimate consignee will establish and adhere to all the safeguard conditions and perform all other undertakings described in the end-use statement.

The (*name of appropriate foreign government agency*) will advise the United States Government of any evidence that might reasonably indicate the existence of circumstances (e.g., transfer of ownership) that could affect the objectives of the security safeguard conditions.

(2) Other importing government assurances regarding prohibited activities may also be required on a case-by-case basis.

(j) *Commercial consignees.* Exports or reexports of computers that are solely dedicated to the following non-scientific and non-technical commercial business uses will usually be eligible for a reduced set of security safeguard conditions:

(1) Financial services (e.g., banking, securities and commodity exchanges);

(2) Insurance;

(3) Reservation systems;

(4) Point-of-sales systems;

(5) Mailing list maintenance for marketing purposes;

(6) Inventory control for retail/wholesale distribution.

(k) *Special recordkeeping requirements.* Exporters must keep accurate records of each export of a computer with a CTP equal to or greater than 2,000 MTOPS. These records will be made available to the U.S. Government upon request. The records will include the following information:

(1) Date of shipment;

(2) Name and address of the end-user and each intermediate consignee;

(3) CTP of each computer in shipment;

(4) Volume of computers in shipment;

(5) Dollar value of shipment; and

(6) End-Use.

(l) *Reporting requirements.* Exporters are hereby notified that consistent with the commitments reached with the new multilateral regime that will replace the Coordinating Committee (COCOM), exporters will be required to submit to BXA consolidated reports on exports to certain destinations every six months of computers with a CTP equal to or greater than 2,000 MTOPS. These reports will include for each such export all the information required to be kept pursuant to paragraph (k) of this section. Exports of computers above 2,000 MTOPS to certain destinations will be subject to the reporting requirement once the initial elements of the new multilateral regime are adopted, and the first report will be due thereafter.

(m) *General license availability.* When evaluating your computer to determine General License eligibility, use the CTP parameter to the exclusion of other technical parameters for computers classified under ECCN 4A03A; with the exception of parameters specified as Missile Technology (MT) concerns, 4A03A.e (equipment performing analog-to-digital conversions exceeding the limits in ECCN 3A01A.a.5.a), and graphic accelerators or graphic coprocessors exceeding a ''3–D vector rate'' of 10,000,000.

(1) *General License G–DEST.* General License G–DEST may be used for exports of computers and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system, as described in this section.

(i) *Computer Tiers 1, 2 and 3.* Exports of computers with a CTP equal to or less 2,000 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system, are eligible for General License G–DEST to countries in the respective Computer Tiers.

(ii) *Sudan and Syria.* Exports of computers with a CTP less than 6 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system are eligible for General License G–DEST to Sudan and Syria.

(2) *General License G–CTP.*

(i) *Computer Tier 1.* General License G–CTP is available for exports of computers with a CTP greater than 2,000 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment when exported with these computers as part of a system therefor, to countries in Computer Tier 1.

(ii) *Computer Tier 2.* General License G–CTP is available for exports of computers with a CTP greater than 2,000 MTOPS, but equal to or less than 10,000 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment when exported with these computers as part of a system therefor, to countries in Computer Tier 2.

(iii) *Computer Tier 3.* General License G–CTP is available for exports of computers with a CTP greater than 2,000 MTOPS, but less than or equal to 7,000 MTOPS and specially designed components therefor, exported separately or as part of a system, and related equipment when exported with these computers as part of a system to permitted end-users and end-uses located in countries in Computer Tier 3. General License G–CTP is not authorized for exports or reexports to countries in Computer Tier 3 for military end-users and end-uses and nuclear, chemical, biological, or missile end-users and end-uses defined in part 778. (See § 771.28 of this subchapter for more details of General License G–CTP.)

(3) *Other general licenses.* Computers are eligible for many other general licenses found in part 771 of this subchapter. Examples of general licenses you may consider for exports of computers are: GLV, BAGGAGE, GIT, GUS, GCG, GTF-U.S., GLR, GIFT, GLX, G-TEMP, and SAFEGUARDS.

§ 776.11 [Removed and reserved]

25. Section 776.11 is removed and reserved.

26. Section 776.12 is amended by revising paragraph (b) introductory text to read as follows:

§ 776.12 Parts, components, and materials incorporated abroad into foreign-made products.

*   *   *   *   *

(b) *Determining approval requirements.* Prior written approval of the Department of Commerce is required for the export from a foreign country of

a foreign-made computer with a performance level exceeding 7,000 MTOPS containing U.S.-origin controlled semiconductors (other than memory circuits) classified under ECCN 3A01A or high speed interconnect devices (ECCN 4A03A.d) to Computer Tier 3 and 4 countries, without exception. Prior written approval also is required for any other foreign-made product incorporating U.S. origin parts, components, or materials, unless:

* * * * *

PART 785—[AMENDED]

§ 785.4 [Amended]

27. Section 785.4 is amended by revising the phrase ''Fluorocarbon compounds for cooling fluids for radar and supercomputers described in ECCN 1C94'' to read ''fluorocarbon compounds for cooling fluids for radar and computers described in ECCN 1C94'' in the first and last sentences in paragraph (d)(1)(xxxiii).

PART 786—[AMENDED]

28. Section 786.6 is amended by revising (a)(2) and (c)(2) to read as follows:

§ 786.6 Destination control statements.

(a) * * *

(2) General License GLV, GTF-US, G-TEMP, GLR, GFW, GNSG, GCT, or G-CTP.

* * * * *

(c) * * *

(2) *General license shipments.* For a shipment under any general license, except General License GCT, GNSG, and G-CTP, any of the three destination control statements in paragraph (d) of this section may be used. For shipments under General License GCT, GNSG, and G-CTP, exporters must use Statement No. 1 or 2.

* * * * *

PART 787—[AMENDED]

§ 787.13 [Amended]

29. Section 787.13 is amended by removing the reference ''776.11'' from the second sentence of paragraph (c).

PART 799—[AMENDED]

Supplement No. 1 to § 799.1 [Amended]

30. In Category 4, the following amendments are made:

a. The Requirements sections of the following ECCNs are revised: 4A01A, 4A02A, 4A94F, 4D01A, 4D02A, 4D94F, 4E01A, and 4E94F; and

b. ECCN 4A03A, is revised to read as follows:

4A01A Electronic computers and related equipment, as follows, and

''assemblies'' and specially designed components therefor.

Requirements

Validated License Required: QSTVWYZ, (see Notes).

Unit: Computers and peripherals in number; parts and accessories in $ value.

Reason For Control: NS, MT, NP, FP (see Notes).

GLV: $5000 for 4A01.a *only;* $0 for 4A01.b.

GCT: Yes, *except* MT and except Hong Kong and South Korea for computers with a CTP greater than 10,000 MTOPS. (See Notes).

GCTP: No.

GFW: No.

Notes: 1. MT controls apply to 4A01.a.
2. FP and NP controls apply to all destinations, except:

a. Countries listed in § 776.10(d) of this subchapter (Computer Tier 1),

b. Countries listed in § 776.10(e) of this subchapter (Computer Tier 2), for computers with a CTP equal to or less than 10,000 MTOPS; and

c. Countries listed in § 776.10(f) of this subchapter (Computer Tier 3), for computers with a CTP equal to or less than 2,000 MTOPS to all end-users/uses or a CTP equal to or less than 7,000 MTOPS to end-users/uses that are not military end-users and end-uses and are not nuclear, chemical, biological, or missile end-users and end-uses defined in part 778 of this subchapter.

* * * * *

4A02A ''Hybrid computers'', as follows, and ''assemblies'' and specially designed components therefor.

Requirements

Validated License Required: QSTVWYZ, (see Notes).

Unit: Computers and peripherals in number; parts and accessories in $ value.

Reason For Control: NS, MT, NP, FP (see Notes).

GLV: $5000.

GCT: Yes, *except* MT and except Hong Kong and South Korea for computers with a CTP greater than 10,000 MTOPS. (see Notes).

GCTP: No.

GFW: No.

Notes: 1. MT controls apply to hybrid computers combined with specially designed ''software'', for modeling, simulation, or design integration of complete rocket systems and unmanned air vehicle systems described in § 787.7 of this subchapter.
2. FP and NP controls apply to all destinations, except:

a. Countries listed in § 776.10(d) of this subchapter (Computer Tier 1),

b. Countries listed in § 776.10(e) of this subchapter (Computer Tier 2), for computers with a CTP equal to or less than 10,000 MTOPS; and

c. Countries listed in § 776.10(f) of this subchapter (Computer Tier 3), for computers with a CTP equal to or less than 2,000 MTOPS to all end-users/uses or a CTP equal to or less than 7,000 MTOPS to end-users/uses that are not military end-users and end-uses and are not nuclear, chemical, biological, or missile end-users and end-uses defined in part 778 of this subchapter.

* * * * *

4A03A ''Digital computers'', ''assemblies'', and related equipment therefor, as described in this entry, and specially designed components therefor.

Requirements

Validated License Required: QSTVWYZ, (see Note 5).

Unit: Computers and peripherals in number; parts and accessories in § value.

Reason for Control: NS, MT, NP, FP (see Notes).

GLV: $5,000.

GCT: Yes, except MT and FP, and except Hong Kong and South Korea for computers with a CTP greater than 10,000 MTOPS. (See *Notes*).

GCTP: Yes, and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system. (See N.B.)

GFW: Yes, except MT and FP (see Notes), for computers with a CTP not exceeding 1,000 MTOPS (500 MTOPS for eligible countries listed in Supp. 4 to part 778 of this subchapter) and specially designed components therefor, exported separately or as part of a system, and related equipment therefor when exported with these computers as part of a system.

N.B. 1: General License GFW is *not* available for the export of commodities that the exporter knows will be used to:

a. Enhance the CTP to 2000 MTOPS or greater; or

b. Enhance the performance capability of a computer with a CTP equal to or greater than 2000 MTOPS.

N.B. 2: To determine whether General License GFW may be used to export related equipment controlled under another entry in the CCL, consult the GFW paragraph under the Requirements heading of the appropriate entry.

N.B. 3: General License G-CTP is not available for the export of items that the exporter knows will be used to enhance the CTP beyond the limits of General License G-CTP.

N.B. 4: When evaluating your computer to determine general license eligibility, use the CTP parameter to the exclusion of other technical parameters for computers classified under ECCN

4A03; with the exception of parameters specified as Missile Technology (MT) concerns, 4A03A.e (Equipment performing analog-to-digital conversions exceeding the limits in ECCN 3A01.a.5.a), and graphics accelerators or graphics coprocessors exceeding a "3–D vector rate" of 10,000,000.

Notes: 1. MT controls apply to digital computers used as ancillary equipment for test facilities and equipment that are controlled by 9B05 or 9B06.

2. FP controls apply to computers for computerized fingerprint equipment to all destinations except Australia, Japan, New Zealand and members of NATO.

3. FP and NP controls apply to all destinations, except:

a. Countries listed in § 776.10(d) of this subchapter (Computer Tier 1),

b. Countries listed in § 776.10(e) of this subchapter (Computer Tier 2), for computers with a CTP equal to or less than 10,000 MTOPS; and

c. Countries listed in § 776.10(f) of this subchapter (Computer Tier 3), for computers with a CTP equal to or less than 2,000 MTOPS to all end-users/uses or a CTP equal to or less than 7,000 MTOPS to end-users/uses that are not military end-users and end-uses and are not nuclear, chemical, biological, or missile end-users and end-uses defined in part 778 of this subchapter.

4. FP controls apply to Iran, Sudan and Syria for computers controlled by 4A03A or 4A94F (i.e., computers with a CTP of 6 MTOPS or greater). See § 785.4(d)(1) of this subchapter.

5. Exceptions to the validated license requirement may be found in § 776.10 of this subchapter.

List of Items Controlled

Note 1: 4A03 includes vector processors, array processors, digital signal processors, logic processors, and equipment for "image enhancement" or signal processing".

Note 2: The control status of the "digital computers" or related equipment described in 4A03 is governed by the control status of other equipment or systems provided:

a. The "digital computers" or related equipment are essential for the operation of the other equipment or systems;

b. The "digital computers" or related equipment are not a "principal element" of the other equipment or systems; and

N.B. 1: The control status of "signal processing" or "image enhancement" equipment specially designed for other equipment with functions limited to those required for the other equipment is determined by the control status of the other equipment even if it exceeds the "principal element" criterion.

N.B. 2: For the control status of "digital computers" or related equipment for telecommunications equipment, see the telecommunications entries in Category 5.

c. The technology for the "digital computers" and related equipment is governed by 4E.

"Digital computers", "assemblies", and related equipment therefor, as follows, and specially designed components therefor:

a. Designed or modified for "fault tolerance";

Note: For the purposes of 4A03.a, "digital computers" and related equipment are not considered to be designed or modified for "fault tolerance", if they use:

1. Error detection or correction algorithms in "main storage";

2. The interconnection of two "digital computers" so that, if the active central processing unit fails, an idling but mirroring central processing unit can continue the system's functioning;

3. The interconnection of two central processing units by data channels or by use of shared storage to permit one central processing unit to perform other work until the second central processing unit fails, at which time the first central processing unit takes over in order to continue the system's functioning; or

4. The synchronization of two central processing units by "software" so that one central processing unit recognizes when the other central processing unit fails and recovers tasks from the failing unit.

b. "Digital computers" having a "composite theoretical performance" ("CTP") exceeding 260 million theoretical operations per second (MTOPS), except as described in § 776.10 of this subchapter;

c. "Assemblies" specially designed or modified to be capable of enhancing performance by aggregation of "computing elements" ("CEs") so that the "CTP" of the aggregation exceeds the limit in 4A03.b.

Note 1: 4A03.c applies only to "assemblies" and programmable interconnections not exceeding the limits in 4A03.b, when shipped as unintegrated "assemblies". It does not apply to "assemblies" inherently limited by nature of their design for use as related equipment controlled by 4A03.d to 4A03.f.

Note 2: 4A03.c does not control "assemblies" specially designed for a product or family of products whose maximum configuration does not exceed the limits of 4A03.b.

d. Graphics accelerators or graphics coprocessors exceeding a "3–D Vector Rate" of 1,600,000;

e. Equipment performing analog-to-digital conversions exceeding the limits in 3A01.a.5.a;

f. Equipment containing "terminal interface equipment" exceeding the limits in 5A02.c;

Note: For the purposes of 4A03.f, "terminal interface equipment" includes "local area network" interfaces, modems and other communications interfaces. "Local area network" interfaces are evaluated as "network access controllers".

g. Equipment, specially designed to provide for the external interconnection of "digital computers" or associated equipment, that allows communications at data rates exceeding 80 Mbytes/s.

Note: 4A03.g does not control internal interconnection equipment (e.g., backplanes, buses) or passive interconnection equipment.

4A94F Computers, "assemblies" and related equipment not controlled by 4A01, 4A02, or 4A03, and specially designed components therefor.

Requirements:

Validated License Required: SZ, Iran, Sudan, Syria (see Note).

Unit: Computers and peripherals in number; parts and accessories in $ value.

Reason For Control: FP.
GLV: $0.
GCT: No.
GFW: No.

Note: Exceptions to the validated license requirement may be found in § 776.10 of this subchapter.

*   *   *   *   *

4D01A "Software" specially designed or modified for the "development", "production" or "use" of equipment controlled by 4A01, 4A02, 4A03, or 4A04, or "software" controlled by 4D01, 4D02, or 4D03.

Requirements:

Validated License Required: QSTVWYZ.

Unit: $ value.

Reason For Control: NS, MT, FP, NP (see Notes).

GTDR: Yes, except MT, FP, and software for computers requiring a validated license, see Notes.

GTDU: No.

Notes: 1. MT controls apply to "software" specially designed or modified for the "development," "production" or "use" of equipment controlled for MT by 4A01, 4A02, and 4A03.

2. FP and NP controls apply to all destinations, except:

a. Countries listed in § 776.10(d) of this subchapter (Computer Tier 1),

b. Countries listed in § 776.10(e) of this subchapter (Computer Tier 2), for "software" for computers with a CTP equal to or less than 10,000 MTOPS; and

c. Countries listed in § 776.10(f) of this subchapter (Computer Tier 3), for computers with a CTP equal to or less than 2,000 MTOPS to all end-users/uses or a CTP equal to or less than 7,000 MTOPS to end-users/uses that are not military end-users and end-uses and are not nuclear, chemical, biological, or missile end-users and end-uses defined in part 778 of this subchapter.

3. FP controls apply to all destinations except Australia, Japan, New Zealand and members of NATO, for "software" specially designed or modified for the "development", "production", or "use" of computers for computerized fingerprint equipment.

4D02A ''Software'' specially designed or modified to support ''technology'' controlled by 4E01 or 4E02.

Requirements

Validated License Required: QSTVWYZ.
Unit: $ value.
Reason For Control: NS, MT, NP, FP (see Notes).
GTDR: Yes, except MT, FP, and for ''software'' for computers that require a validated license, see Notes.
GTDU: No.

Notes: 1. MT controls apply to ''software'' specially designed or modified to support technology for the ''development,'' ''production'' or ''use'' of equipment controlled for MT by 4A01, 4A02 and 4A03.
2. FP and NP controls apply to all destinations, except:
a. Countries listed in § 776.10(d) of this subchapter (Computer Tier 1),
b. Countries listed in § 776.10(e) of this subchapter (Computer Tier 2), for —software— for computers with a CTP equal to or less than 10,000 MTOPS; and
c. Countries listed in § 776.10(f) of this subchapter (Computer Tier 3), for computers with a CTP equal to or less than 2,000 MTOPS to all end-users/uses or a CTP equal to or less than 7,000 MTOPS to end-users/uses that are not military end-users and end-uses and are not nuclear, chemical, biological, and missile end-users and end-uses defined in part 778 of this subchapter.
3. FP controls apply to all destinations except Australia, Japan, New Zealand and members of NATO, for ''software'' specially designed or modified for the ''development'', ''production'', or ''use'' of computers for computerized fingerprint equipment.

4D94F ''Software'' specially designed for the ''development'', ''production'', or ''use'' of ''digital computers'', ''assemblies'' and related equipment therefor controlled by 4A94F.

Requirements

Validated License Required: SZ, Iran, Sudan, Syria.
Unit: $ value.
Reason For Control: FP.
GTDR: No.
GTDU: No.
4E01A Technology, according the General Technology Note, for the ''development'', ''production'' or ''use'' of equipment controlled by 4A01, 4A02, 4A03, or 4A04, or ''software'' controlled by 4D01, 4D02, or 4D03.

Requirements

Validated License Required: QSTVWYZ.
Reason for Control: NS, MT, NP, FP (see Notes).
GTDR: Yes, except MT, FP, and ''technology'' required for computers with a CTP greater than 2,000 MTOPs.

GTDU: No.

Notes: 1. MT controls apply to certain items controlled by 4A01, 4A02, 4A03, 4D01, or 4D02. See *Reason for Control* paragraphs in these entries to determine which items are subject to MT controls.
2. FP and NP controls apply to all destinations.
3. FP controls apply, for all destinations *except* Australia, Japan, New Zealand, and members of NATO, to technology for the ''development'', ''production'', or ''use'' of computers controlled by 4A03 for computerized fingerprint equipment.

4E94F Technology for the ''development'', ''production'', or ''use'' of ''digital computers'', ''assemblies'' and related equipment therefor controlled by 4A94F.

Requirements

Validated License Required: SZ, Iran, Sudan, and Syria.
Reason for Control: FP.
GTDR: No.
GTDU: No.

Dated: January 4, 1996.

Sue E. Eckert,
Assistant Secretary for Export Administration.
[FR Doc. 96–293 Filed 1–22–96; 2:52 pm]
BILLING CODE 3510–DT–P

TENNESSEE VALLEY AUTHORITY

18 CFR Part 1301

Privacy Act Regulations; Implementation

AGENCY: Tennessee Valley Authority.
ACTION: Final rule.

SUMMARY: The Tennessee Valley Authority (TVA) is amending its regulations implementing the Privacy Act of 1974 (the Act), 5 U.S.C. 552a. The amendment modifies existing TVA regulations (18 CFR 1301.24) exempting the system of records known as OIG Investigative Records—TVA (TVA–31) from certain provisions of the Act and corresponding agency regulations.
EFFECTIVE DATE: January 25, 1996.
FOR FURTHER INFORMATION CONTACT: Wilma H. McCauley, TVA, 1101 Market St. (CST 13B), Chattanooga, TN 37402–2801, telephone number: (423) 751–2523.
SUPPLEMENTARY INFORMATION: On October 28, 1993, (58 FR 57972–57974) TVA gave notice as required by the Privacy Act of its intention to amend the system of records known as OIG Investigative Records—TVA (TVA–31) from certain provisions of the Act and corresponding agency regulations. No comments were received. TVA is

therefore updating its regulations at 18 CFR part 1301 to reflect this amendment.

List of Subjects in 18 CFR Part 1301

Administrative practice and procedure, Freedom of Information, Privacy Act, Sunshine Act.

For the reasons set forth in the preamble, TVA is amending 18 CFR, chapter XIII, part 1301, as follows:

PART 1301—PROCEDURES

1. The authority citation for part 1301 continues to read as follows:

Authority: 16 U.S.C. 831–831dd, 5 U.S.C. 552a.

2. Section 1301.24(d) is revised to read as follows:

§ 1301.24 Specific exemptions.
* * * * *
(d) The TVA system OIG Investigative Records is exempt from subsections (c)(3), (d), (e)(1), (e)(4), (G), (H), and (I) and (f) of 5 U.S.C. 552a (section 3 of the Privacy Act) and corresponding sections of these rules pursuant to 5 U.S.C. 552a(k)(2). The TVA system OIG Investigative Records is exempt from subsections (c)(3), (d), (e)(1), (e)(2), (e)(3), (e)(4)(G), (H), and (I), (e)(5), (e)(8), and (g) pursuant to 5 U.S.C. 552a(j)(2). This system is exempt because application of these provisions might alert investigation subjects to the existence or scope of investigations, lead to suppression, alteration, fabrication, or destruction of evidence, disclose investigative techniques or procedures, reduce the cooperativeness or safety of witnesses, or otherwise impair investigations.
* * * * *
William S. Moore,
Senior Manager, Administrative Services.
[FR Doc. 96–1191 Filed 1–24–96; 8:45 am]
BILLING CODE 8120–08–W

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 175

[Docket No. 94F–0381]

Indirect Food Additives: Adhesives and Components of Coatings

AGENCY: Food and Drug Administration, HHS.
ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the