

**OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE**

**WTO Dispute Settlement Proceeding
Regarding Hungary's Export Subsidies
on Agricultural Products (Docket No.
WTO/D-14)**

AGENCY: Office of the United States Trade Representative.

ACTION: Notice; request for comments.

SUMMARY: Pursuant to section 127(b)(1) of the Uruguay Round Agreements Act (URAA) (19 U.S.C. 3537(b)(1)), the Office of the United States Trade Representative (USTR) is providing notice that the United States has requested the establishment of a dispute settlement panel under the Agreement Establishing the World Trade Organization (WTO), to examine Hungary's export subsidies on agricultural products. More specifically, the United States alleges that Hungary's export subsidies are inconsistent with the obligations of the WTO Agreement on Agriculture, including, but not limited to, Article 3.3, Article 8 and Article 9.2. USTR also invites written comments from the public concerning the issues raised in the dispute.

DATES: Although USTR will accept any comments received during the course of the dispute settlement proceedings, comments should be submitted on or before March 17, 1997, to be assured of timely consideration by USTR in preparing its first written submission to the panel.

ADDRESSES: Comments may be submitted to Ileana Falticeni, Office of Monitoring and Enforcement, Room 501, Attn: Hungary Export Subsidies Dispute, Office of the U.S. Trade Representative, 600 17th Street, N.W., Washington, DC 20508.

FOR FURTHER INFORMATION CONTACT: William D. Hunter, Attorney, (202) 395-3582, or Marilyn Moore, Senior Economist, (202) 395-6127.

SUPPLEMENTARY INFORMATION: On January 9, 1997, the United States requested establishment of a WTO dispute settlement panel to examine whether Hungary's export subsidies on agricultural products are inconsistent with the obligations of the WTO Agreement on Agriculture. Argentina, Australia and New Zealand also requested the establishment of a panel. The WTO Dispute Settlement Body (DSB) considered the U.S. request at its meeting on January 22, 1997. Under the WTO Understanding on Rules and Procedures Governing the Settlement of Disputes, the DSB must establish a panel at the next DSB meeting where a

panel request is on the agenda, unless the DSB determines by consensus otherwise. The next scheduled DSB meeting will be held on February 25, 1997. Under normal circumstances, the panel, which will hold its meetings in Geneva, Switzerland, would be expected to issue a report detailing its findings and recommendations within six to nine months after it is established.

Major Issues Raised by the United States and Legal Basis of Complaint

In Hungary's Schedule annexed to the Marrakesh Protocol to the General Agreements on Tariffs and Trade 1994 (Schedule), Hungary provided an exclusive list of the agricultural products or groups of products that would be eligible for particular categories of export subsidies. Hungary's Schedule also specified the maximum level of expenditure for such subsidies that may be allocated or incurred for each year with respect to each agricultural product or group of products, and the maximum quantity of each agricultural product or group of products for which such subsidies could be granted each year. In 1995, Hungary provided export subsidies on agricultural products that are not specified in its Schedule. In addition, in the case of agricultural products that are specified in its Schedule, Hungary provided export subsidies in excess of its specified budgetary outlay and quantity commitment levels. Both sets of circumstances continued in 1996.

Hungary's export subsidies appear to be inconsistent with Hungary's obligations to limit its export subsidies under the Agreement on Agriculture, including, but not limited to, Article 3.3, Article 8, and Article 9.2.

Public Comment: Requirements for Submissions

Interested persons are invited to submit written comments concerning the issues raised in the dispute. Comments must be in English and provided in fifteen copies. A person requesting that information contained in a comment submitted by that person be treated as confidential business information must certify that such information is business confidential and would not customarily be released to the public by the commenter. Confidential business information must be clearly marked "BUSINESS CONFIDENTIAL" in a contrasting color ink at the top of each page of each copy.

A person requesting that information or advice contained in a comment submitted by that person, other than business confidential information, be treated as confidential in accordance

with section 135(g)(2) of the Trade Act of 1974 (19 U.S.C. 2155(g)(2))—

(1) Must so designate that information or advice;

(2) must clearly mark the material as "SUBMITTED IN CONFIDENCE" in a contrasting color ink at the top of each page of each copy; and

(3) is encouraged to provide a non-confidential summary of the information or advice.

Pursuant to section 127(e) of the URAA (19 U.S.C. 3537(e)), USTR will maintain a file on this dispute settlement proceeding, accessible to the public, in the USTR Reading Room: Room 101, Office of the United States Trade Representative, 600 17th Street, N.W., Washington, DC 20508. The public file will include a listing of any comments received by USTR from the public with respect to the proceeding; the U.S. submissions to the panel in the proceeding; the submissions, or non-confidential summaries of submissions, to the panel received from other participants in the dispute, as well as the report of the dispute settlement panel and, if applicable, the report of the Appellate Body. An appointment to review the public file (Docket WTO/D-14 ("U.S.—Hungary Export Subsidies")), may be made by calling Brenda Webb, (202) 395-6186. The USTR Reading Room is open to the public from 9:30 a.m. to 12 noon and 1 p.m. to 4 p.m., Monday through Friday.

A. Jane Bradley,

Assistant U.S. Trade Representative for Monitoring and Enforcement.

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Approval of Noise Compatibility Program; Tallahassee Regional Airport, Tallahassee, FL

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice.

SUMMARY: The Federal Aviation Administration (FAA) announces its findings on the noise compatibility program submitted by the City of Tallahassee, Florida, under the provisions of Title I of the Aviation Safety and Noise Abatement Act of 1979 (Public Law 96-193) and 14 CFR Part 150. These findings are made in recognition of the description of Federal and non-Federal responsibilities in Senate Report No. 96-52 (1980). On June 25, 1996, the FAA determined that