

and soundness of the settlement process for the Government securities marketplace by: (1) Providing clearing organizations with more information concerning members' intermarket positions (which is especially valuable during stressed market conditions) to enable them to make more accurate decisions regarding the true risk of such positions to the clearing organizations; (2) allowing for enhanced sharing of collateral resources; and (3) encouraging coordinated liquidation processes for a joint participant, or a participant and its affiliate, in the event of an insolvency. GSCC further believes that cross-margining benefits participating clearing members by providing members with the opportunity to more efficiently use their collateral. More important from a regulatory perspective, however, is that cross-margining programs have long been recognized as enhancing the safety and soundness of the clearing system itself. Studies of the October 1987 market break gave support to the concept of cross-margining. For example, The Report of the President's Task Force on Market Mechanisms (January 1988) noted that the absence of a cross-margining system for futures and securities options markets contributed to payment strains in October 1987. The Interim Report of the President's Working Group on Financial Markets (May 1988) also recommended that the SEC and the Commodity Futures Trading Commission facilitate cross-margining programs among clearing organizations. This resulted in the first cross-margining arrangement between clearing organizations which was approved in 1988.¹⁶

III. Discussion

Section 19(b) of the Act directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such organization. In section 17A(a)(2)(A)(ii) of the Act, Congress directs the Commission having due regard for, among other things, the public interest, the protection of investors, the safeguarding of securities and funds, to use its authority under the Act to facilitate the establishment of linked or coordinated facilities for clearance and settlement of transactions in securities, securities options, contracts of sale for future delivery and

options thereon, and commodity options.¹⁷ Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency for which it is responsible.¹⁸ The Commission finds that the approval of GSCC's proposed rule change is consistent with these Sections.

First, the Commission's approval of GSCC's proposed rule change to establish a cross-margining arrangement with BOTCC and to extend its hub and spoke approach to cross-margining to include BOTCC along with CME and NYCC is in line with the Congressional directive to the Commission to facilitate linked and coordinated facilities for the clearance and settlement of securities and futures.¹⁹ Second, approval of GSCC's proposal should result in increased and better information sharing between GSCC and Participating COs regarding the portfolios and financial conditions of participating joint and affiliated members. As a result, GSCC and participating COs will be in a better position to monitor and assess the potential risks of participating joint or affiliated members and will be in a better position to handle the potential losses presented by the insolvency of any joint or affiliated member. Therefore, GSCC's proposal should help GSCC better safeguard the securities and funds in its possession or control or for which it is responsible. While cross-margining should provide benefits and efficiencies to common participants in GSCC and BOTCC, GSCC has determined to adopt a conservative approach in introducing its cross-margining program with BOTCC. We believe that that is a prudent approach consistent with maintaining the safety and soundness of the national system for prompt and accurate clearance and settlement of transactions in securities.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular section 17A of the Act and the rules and regulations thereunder.

It Is Therefore Ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (File No. SR-GSCC-2001-03) be and hereby is approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.²⁰

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 02-2371 Filed 1-30-02; 8:45 am]
BILLING CODE 8010-01-P

DEPARTMENT OF STATE

[Public Notice 3901]

Bureau of Educational and Cultural Affairs Request for Grant Proposals: International Sports Programming Initiative

SUMMARY: The Office of Citizen Exchanges of the Bureau of Educational and Cultural Affairs announces an open competition for International Sports Programming Initiative. Public and private non-profit organizations meeting the provisions described in Internal Revenue Code 26 U.S.C. 501(c)(3) may submit proposals to discuss approaches designed to enhance and improve the infrastructure of youth sports programs in selected countries in Africa, South Asia, Central Asia, South East Asia and the Near East.

Program Information:

Overview

The Office of Citizen Exchanges welcomes proposals that directly respond to the following thematic areas. Given budgetary limitations, projects for other themes will not be eligible for consideration under the FY-2002 Sports Program Initiative.

Training Sports Coaches

The World Summit on Physical Education (Berlin, 1999) stated that a "quality physical education helps children to develop the patterns of interest in physical activity, which are essential for healthy development and which lay the foundation for healthy, adult lifestyles." Coaches are critical to the accomplishment of this goal. A coach not only needs to be qualified to provide the technical assistance required by young athletes to improve, but must also understand how to aid a young person to discover how success in athletics can be translated into achievement in the development of life skills and in the classroom. Projects submitted in response to this theme would be aimed at aiding youth, secondary school and university coaches in the target countries in the development and implementation of appropriate training methodologies,

¹⁶ Securities Exchange Act Release No. 26153 (October 3, 1988), 53 FR 39567 (October 7, 1988) [File No. SR-OCC-86-17] (order approving cross-margining program between OCC and The Intermarket Clearing Corporation).

¹⁷ 15 U.S.C. 78q-1(a)(2)(A)(ii).

¹⁸ 15 U.S.C. 78q-1(b)(3)(F).

¹⁹ 15 U.S.C. 78q-1(a)(2)(A)(ii).

²⁰ 17 CFR 200.30-3(a)(12).

through seminars and outreach. The goal is to ensure the optimal technical proficiency among the coaches participating in the program while also emphasizing the role sports can play in the long-term economic well being of youth.

Youth Sports Management Exchange

Exchanges funded under this theme would help American and foreign youth sport coaches, adult sponsors, and sports associations officials share their experience in managing and organizing youth sports activities, particularly in financially challenging circumstances, and would contribute to better understanding of role of sports as a significant factor in educational success. Americans are in a good position to convey to the foreign counterparts the importance of linking success in sports to educational achievement and how these two factors can contribute to short-term and long-term economic prospects.

Youth With Disability

Exchanges supported by this theme are designed to promote and sponsor sports, recreation, fitness and leisure events for children and adults with physical disabilities. Project goals include improving the quality of life for people with disabilities by providing affordable inclusive sports and recreational experiences that build self-esteem and confidence, enhancing active participation in community life and making a significant contribution to the physical and psychological health of people with disabilities. Physically and developmentally challenged individuals will be fully included in the sports and recreation opportunities in our communities.

Sports and Health

Projects funded under this category will focus on effective and practical ways to use sport personalities and sports health professionals to increase awareness among young people of the importance of following a healthy life style to reduce illness, prevent injuries and speed the rehabilitation and recovery. Emphasis will be on the responsibility of the broader community to support healthy behavior. The project goals are to promote and integrate scientific research, education, and practical applications of sports medicine and exercise science to maintain and enhance physical performance, fitness, health, and quality of life. (Actual medical training and dispensing of medications are outside the purview of this theme.)

Guidelines

The Office seeks proposals that provide professional experience and exposure to American life and culture through internships, workshops and other learning-sharing experiences hosted by local institutions. The experiences also will provide Americans the opportunity to learn about culture and the social and economic challenges young athletes face today. Travel under these grants should provide for a two-way exchange. Projects should not simply focus on athletic training; they should be designed to provide practical, hands-on experience in U.S. public/private sector settings that may be adapted to an individual's institution upon return home. Proposals may combine elements of professional enrichment, job shadowing and internships appropriate to the language ability and interests of the participants.

Applicants must identify the local organizations and/or individuals in the counterpart country with whom they are proposing to collaborate and describe in detail previous cooperative programming and/or contacts. Specific information about the counterpart organizations' activities and accomplishments should be included in the section on Institutional Capacity.

Exchanges and training programs supported by the institutional grants from the Bureau should operate at two levels: they should enhance institutional partnerships, and they should offer practical information to individuals and groups to assist them with their professional responsibilities. Strong proposals usually have the following characteristics: A strong existing partnership between a U.S. organization and an in-country institution or the potential to develop such a linkage; a proven track record of working in the proposed field; cost-sharing from U.S. and/or in-country sources; experienced staff with language facility; a clear, convincing plan showing how permanent results will be accomplished as a result of the activity funded by the grant; and a follow-on plan beyond the scope of the Bureau grant. The Bureau would like to see tangible forms of time and money contributed to the project by the prospective grantee institution, as well as funding from third party sources.

Programs must comply with J-1 visa regulations. Please refer to Solicitation Package for further information.

Selection of Participants

All grant proposals should clearly describe the type of persons who will

participate in the program as well as the process by which participants will be selected. It is recommended that programs in support of U.S. internships include letters tentatively committing host institutions to support the internships. In the selection of foreign participants, the Bureau and U.S. Embassies abroad retain the right to review all participant nominations and to accept or deny participants recommended by grantee institutions. However, grantee institutions should describe in detail the recruitment and selection process they recommend. The grantee institution will also provide the names of American participants and brief (two pages) biographical data on each American participant to the Office of Citizen Exchanges for information purposes. Priority will be given to foreign participants who have not previously traveled to the United States.

Budget Guidelines

The Bureau has an overall budget of \$400,000 for this competition. Grants awarded to eligible organizations with less than four years of experience in conducting international exchange programs will be limited to \$60,000. The Bureau has set a ceiling of \$135,000 for proposals funded under this competition. The Bureau encourages applicants to provide maximum levels of cost sharing and funding from private sources in support of its programs.

Applicants must submit a comprehensive budget for the entire program. Grant awards may not exceed \$135,000. There must be a summary budget as well as breakdowns reflecting both administrative and program budgets. Applicants may provide separate sub-budgets for each program component, phase, location, or activity to provide clarification.

Allowable costs for the program include the following:

- (1) All Participant Expenses (foreign and American).
- (2) Other Program Expenses as needed and justified.
- (3) Administrative Expenses including indirect costs.

Please refer to the Solicitation Package for complete budget guidelines and formatting instructions.

Announcement Title and Number

All correspondence with the Bureau concerning this RFGP should reference the above title "Sports Programming Initiative" and reference number ECA/PE/C-02-55.

FOR FURTHER INFORMATION CONTACT:

Please contact the Office of Citizen Exchanges, Room 224, U.S. Department of State, 301 4th Street, SW.,

Washington, DC 20547, telephone number 202/619-5326, fax number 202/260-0440, or pmidgett@pd.state.gov to request a Solicitation Package. The Solicitation Package contains detailed award criteria, required application forms, specific budget instructions, and standard guidelines for proposal preparation. Please specify Bureau Program Raymond H. Harvey on all other inquiries and correspondence.

Please read the complete **Federal Register** announcement before sending inquiries or submitting proposals. Once the RFGP deadline has passed, Bureau staff may not discuss this competition with applicants until the proposal review process has been completed.

To Download a Solicitation Package Via Internet

The entire Solicitation Package may be downloaded from the Bureau's Web site at <http://exchanges.state.gov/education/RFGPs>. Please read all information before downloading.

Deadline for Proposals

All proposal copies must be received at the Bureau of Educational and Cultural Affairs by 5 p.m. Washington, DC time on Friday, April 19, 2002. Faxed documents will not be accepted at any time. Documents postmarked the due date but received on a later date will not be accepted. Each applicant must ensure that the proposals are received by the above deadline.

Applicants must follow all instructions in the Solicitation Package. The original and ten copies of the application should be sent to: U.S. Department of State, SA-44, Bureau of Educational and Cultural Affairs, Ref.: ECA/PE/C-02-55, Program Management, ECA/EX/PM, Room 534, 301 4th Street, SW, Washington, DC 20547.

Applicants must also submit the "Executive Summary" and "Proposal Narrative" sections of the proposal on a 3.5" diskette, formatted for DOS. These documents must be provided in ASCII text (DOS) format with a maximum line length of 65 characters. The Bureau will transmit these files electronically to the Public Affairs section at the US Embassy for its review, with the goal of reducing the time it takes to get embassy comments for the Bureau's grants review process.

Diversity, Freedom and Democracy Guidelines

Pursuant to the Bureau's authorizing legislation, programs must maintain a non-political character and should be balanced and representative of the diversity of American political, social,

and cultural life. "Diversity" should be interpreted in the broadest sense and encompass differences including, but not limited to ethnicity, race, gender, religion, geographic location, socio-economic status, and physical challenges. Applicants are strongly encouraged to adhere to the advancement of this principle both in program administration and in program content. Please refer to the review criteria under the "Support for Diversity" section for specific suggestions on incorporating diversity into the total proposal. Public Law 104-319 provides that "in carrying out programs of educational and cultural exchange in countries whose people do not fully enjoy freedom and democracy," the Bureau "shall take appropriate steps to provide opportunities for participation in such programs to human rights and democracy leaders of such countries." Public Law 106-113 requires that the governments of the countries described above do not have inappropriate influence in the selection process. Proposals should reflect advancement of these goals in their program contents, to the full extent deemed feasible.

Review Process

The Bureau will acknowledge receipt of all proposals and will review them for technical eligibility. Proposals will be deemed ineligible if they do not fully adhere to the guidelines stated herein and in the Solicitation Package. The Program Office and the Public Diplomacy section overseas will review all eligible proposals. Eligible proposals will be subject to compliance with Federal and Bureau regulations and guidelines and forwarded to Bureau grant panels for advisory review. Proposals may also be reviewed by the Office of the Legal Adviser or by other Department elements. Final funding decisions are at the discretion of the Department of State's Assistant Secretary for Educational and Cultural Affairs. Final technical authority for assistance awards resides with the Bureau's Grants Officer.

Review Criteria

Technically eligible applications will be competitively reviewed according to the criteria stated below. These criteria are not rank ordered and all carry equal weight in the proposal evaluation:

1. *Quality of the program idea:* Proposals should exhibit originality, substance, precision, and relevance to the Bureau's mission.
2. *Program planning:* Detailed agenda and relevant work plan should demonstrate substantive undertakings

and logistical capacity. Agenda and plan should adhere to the program overview and guidelines described above.

3. *Ability to achieve program objectives:* Objectives should be reasonable, feasible, and flexible. Proposals should clearly demonstrate how the institution will meet the program's objectives and plan.

4. *Multiplier effect/impact:* Proposed programs should strengthen long-term mutual understanding, including maximum sharing of information and establishment of long-term institutional and individual linkages.

5. *Support of Diversity:* Proposals should demonstrate substantive support of the Bureau's policy on diversity. Achievable and relevant features should be cited in both program administration (selection of participants, program venue and program evaluation) and program content (orientation and wrap-up sessions, program meetings, resource materials and follow-up activities).

6. *Institutional Capacity:* Proposed personnel and institutional resources should be adequate and appropriate to achieve the program or project's goals.

7. *Institution's Record/Ability:* Proposals should demonstrate an institutional record of successful exchange programs, including responsible fiscal management and full compliance with all reporting requirements for past Bureau grants as determined by Bureau Grant Staff. The Bureau will consider the past performance of prior recipients and the demonstrated potential of new applicants.

8. *Follow-on Activities:* Proposals should provide a plan for continued follow-on activity (without Bureau support) ensuring that Bureau supported programs are not isolated events.

9. *Project Evaluation:* Proposals should include a plan to evaluate the activity's success, both as the activities unfold and at the end of the program. A draft survey questionnaire or other technique plus description of a methodology to be used to link outcomes to original project objectives is recommended. Intermediate reports after each project phase or quarterly reports are required.

10. *Cost-effectiveness/Cost-sharing:* The overhead and administrative components of the proposal, including salaries and honoraria, should be kept as low as possible. All other items should be necessary and appropriate. Proposals should maximize cost sharing through other private sector support as well as institutional direct funding contributions.

11. Value to U.S.-Partner Country Relations: Proposed projects should receive positive assessments by the U.S. Department of State's geographic area desk and overseas officers of program need, potential impact, and significance in the partner country(ies).

Authority: Overall grant making authority for this program is contained in the Mutual Educational and Cultural Exchange Act of 1961, Pub. L. 87-256, as amended, also known as the Fulbright-Hays Act. The purpose of the Act is "to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries * * * to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations * * * and thus to assist in the development of friendly, sympathetic and peaceful relations between the United States and the other countries of the world." The funding authority for the program above is provided through legislation.

Notice

The terms and conditions published in this RFGP are binding and may not be modified by any Bureau representative. Explanatory information provided by the Bureau that contradicts published language will not be binding. Issuance of the RFGP does not constitute an award commitment on the part of the Government. The Bureau reserves the right to reduce, revise, or increase proposal budgets in accordance with the needs of the program and the availability of funds. Awards made will be subject to periodic reporting and evaluation requirements.

Notification

Final awards cannot be made until funds have been appropriated by Congress, allocated and committed through internal Bureau procedures.

Dated: January 25, 2002.

Patricia S. Harrison,

Assistant Secretary for Educational and Cultural Affairs, U.S. Department of State.
[FR Doc. 02-2420 Filed 1-23-02; 8:45 am]

BILLING CODE 4710-05-P

DEPARTMENT OF STATE

[Public Notice 3900]

Office of International Energy and Commodities Policy; Notice of Receipt of Application for a Presidential Permit for Pipeline Facilities To Be Constructed and Maintained on the Border of the United States

AGENCY: Department of State.

Notice is hereby given that the Department of State has received an application from Reef International, L.L.C. (Reef) for a Presidential permit, pursuant to Executive Order 11423 of August 16, 1968, as amended by Executive Order 12847 of May 17, 1993, authorizing the construction, connection, operation, and maintenance at the U.S.-Mexican border at Eagle Pass, Texas of a liquid pipeline carrying liquefied petroleum gas, including propane and butane, and related facilities.

Reef is a limited liability corporation organized and existing under the laws of the State of Texas and with its principal office located in Corpus Christi, Texas. The proposed new 6-inch diameter pipeline would originate at a proposed new transfer and blending station in Eagle Pass, Texas and cover approximately 5 miles, crossing under the Rio Grande River and terminating at a proposed new storage and unloading station in Coahuila, Mexico approximately 1,000 feet from the International Boundary. It is anticipated that initial deliveries of the propane/butane mixture will be approximately 500,000 GPD, increasing to approximately 2,000,000 GPD in two years.

As required by E.O. 11423, the Department of State is circulating this application to concerned agencies for comment.

DATES: Interested parties are invited to submit, in duplicate, comments relative to this proposal on or before March 4, 2002, to James Dudley, Office of International Energy and Commodities Policy, Department of State, Washington, DC 20520. The application and related documents that are part of the record to be considered by the Department of State in connection with this application are available for inspection in the Office of International Energy and Commodities Policy during normal business hours.

FOR FURTHER INFORMATION CONTACT:

James Dudley, Office of International Energy and Commodities Policy, Department of State, Washington, DC 20520; or by telephone at (202) 647-2857; or by fax at (202) 647-4037.

Dated: January 25, 2002.

Stephen J. Gallogly,

Director, Office of International Energy and Commodities Policy.

[FR Doc. 02-2419 Filed 1-30-02; 8:45 am]

BILLING CODE 4710-07-P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Aviation Proceedings, Agreements Filed During the Week Ending January 18, 2002

The following Agreements were filed with the Department of Transportation under provisions of 49 U.S.C. Sections 412 and 414. Answers may be filed within 21 days after the filing of the application.

Docket Number: OST-2002-11336.

Date Filed: January 16, 2002.

Parties: Members of the International Air Transport Association.

Subject: PTC COMP 0891 dated 18

January 2002, Mail Vote 192—Resolution 024d, Amend rounding units for the Romanian Leu, Intended effective date: 1 February 2002.

Docket Number: OST-2002-11357.

Date Filed: January 17, 2002.

Parties: Members of the International Air Transport Association.

Subject: PTC123 0172 dated 18

January 2002, Mail Vote 193—Resolution 010v, Special Amending Resolution—Korea (Rep. of), Intended effective date: 1 February 2002.

Dorothy Y. Beard,

Federal Register Liaison.

[FR Doc. 02-2355 Filed 1-30-02; 8:45 am]

BILLING CODE 4910-62-P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart B (formerly Subpart Q) During the Week Ending January 18, 2002

The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under Subpart B (formerly Subpart Q) of the Department of Transportation's Procedural Regulations (See 14 CFR 301.201 *et seq.*). The due date for Answers, Conforming Applications, or Motions to Modify Scope are set forth below for each application. Following the Answer period, DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

Docket Number: OST-2002-11335.

Date Filed: January 15, 2002.