Category	Twelve-month restraint limit
847	228,662 dozen.

[1] Category 338–S: only HTS numbers 6103.22.0050, 6105.10.0010, 6105.10.0030, 6105.90.8010, 6109.10.0027, 6110.20.1025, 6110.20.2040, 6110.20.2065, 6110.90.9068, 6112.11.0030 and 6114.20.0005; Category 339–S: only HTS numbers 6104.22.0060, 6104.29.2049, 6106.10.0010, 6106.10.0030, 6106.90.2510, 6106.90.3010, 6109.10.0070, 6110.20.1030, 6110.20.2045, 6110.20.2075, 6110.90.9070, 6112.11.0040, 6114.20.0010 and 6117.90.9020.

[2] Category 347–T: only HTS numbers 6103.19.2015, 6103.19.9020, 6103.22.0030, 6103.42.1020, 6103.42.1040, 6103.49.8010, 6112.11.0050, 6113.00.9038, 6203.19.1020, 6203.19.9020, 6203.22.3020, 6203.42.4005, 6203.42.4010, 6203.42.4015, 6203.42.4025, 6203.42.4035, 6203.42.4045, 6203.49.8020, 6210.40.9033, 6211.20.1520, 6211.20.3810 and 6211.32.0040; Category 348–T: only HTS numbers 6104.12.0030, 6104.19.8030, 6104.22.0040, 6104.29.2034, 6104.62.2006, 6104.62.2011, 6104.62.2026, 6104.62.2028, 6104.69.8022, 6112.11.0060, 6113.00.9042, 6117.90.9060, 6204.12.0030, 6204.19.8030, 6204.22.3040, 6204.29.4034, 6204.62.3000, 6204.62.4005, 6204.62.4010, 6204.62.4020, 6204.62.4030, 6204.62.4040, 6204.62.4050, 6204.69.6010, 6304.69.9010, 6210.50.9060, 6211.20.1550, 6211.20.6810, 6211.42.0030 and 6217.90.9050.

[3] Category 369–S: only HTS number 6307.10.2005.

[4] Category 369–O: all HTS numbers except 6307.10.2005 (Category 369–S); 5601.10.1000, 5601.21.0090, 5701.90.1020, 5701.90.2020, 5702.10.9020, 5702.39.2010, 5702.49.1020, 5702.49.1080, 5702.59.1000, 5702.99.1010, 5702.99.1090, 5705.00.2020 and 6406.10.7700.

The limits set forth above are subject to adjustment pursuant to the provisions of the ATC and administrative arrangements notified to the Textiles Monitoring Body.

Products in the above categories exported during 1997 shall be charged to the applicable category limits for that year (see directive dated December 20, 1996) to the extent of any unfilled balances. In the event the limits established for that period have been exhausted by previous entries, such products shall be charged to the limits set forth in this directive.

Products for integration in 1998 listed in the **Federal Register** notice published on May 1, 1995 (60 FR 21075) which are exported during 1997 shall be charged to the applicable limits to the extent of any unfilled balances. After January 1, 1998, should those unfilled balances be exhausted, such products shall no longer be charged to any limit, due to integration of these products into GATT 1994.

CITA has informed the United Arab Emirates of its intent to continue the bilateral visa arrangement for those products. An export visa will continue to be required, if applicable, for products integrated on and after January 1, 1998, before entry is permitted into the United States.

In carrying out the above directions, the Commissioner of Customs should construe entry into the United States for consumption to include entry for consumption into the Commonwealth of Puerto Rico.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception of the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

Troy H. Cribb,

Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 97–31434 Filed 11–28–97; 8:45 am]

BILLING CODE 3510–DR–F

COMMODITY FUTURES TRADING COMMISSION

Chicago Board of Trade Futures Contracts in Corn and Soybeans; Draft Proposed Revisions to Delivery Specifications

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice of, and Request for Public Comment on, Draft Proposed Revisions by the Chicago Board of Trade to Delivery Specifications on Corn and Soybean Futures Contracts.

SUMMARY: The Commodity Futures Trading Commission (Commission) on November 7, 1997, issued an Order changing and supplementing under section 5a(a)(10) of the Commodity Exchange Act (Act), 7 U.S.C. 7a(a)(10), the delivery terms of the corn and soybean futures contracts of the Board of Trade of the City of Chicago (CBT). The CBT previously had submitted proposed changes to the delivery specifications of its corn and soybean futures contracts in response to a December 19, 1996 notification to the CBT by the Commission that the CBT corn and soybean futures contracts no longer accomplish the objectives of that section of the Act. The Commission in its November 7 Order changed and supplemented the CBT proposal for its soybean futures contract by making changes relating to the delivery locations proposed by the CBT and for both its soybean and corn futures contracts by making changes relating to the locational price differentials proposed by the CBT, to a contingency rule proposed by the CBT and to a minimum net worth requirement for eligibility to issue shipping certificates proposed by the CBT. The November 7 Order also provided that the CBT was not precluded ‘‘from submitting for Commission review and approval under sections 5a(a)(10) and 5a(a)(12) of the Act any alternative proposed delivery specifications for its corn or soybean futures contracts.’’

The CBT on November 18, 1997, provided to the Commission draft proposed revisions to the corn and soybean futures contracts which, although approved by the CBT Board of Directors, have not yet been presented to the CBT membership for its approval. Those draft proposed revisions contain delivery specifications different from those contained in the Commission's November 7 Order.

The Commission is providing notice of the CBT's draft proposed revisions in order to provide the public with an opportunity to comment to the Commission on them. The Commission has determined that publication of the CBT's draft proposed revisions for public comment is in the public interest, will assist the Commission in considering the views of interested persons, and is consistent with the purposes of the Commodity Exchange Act.

DATES: Comments must be received by January 15, 1998.

ADDRESSES: Comments should be mailed to the Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, attention: Office of the Secretariat; transmitted by facsimile at (202) 418–5521; or transmitted electronically at [secretary@cftc.gov]. Reference should be made to ‘‘Corn and Soybean Delivery Points; Draft Proposed Revisions.’’

FOR FURTHER INFORMATION CONTACT: John Mielke, Acting Director, or Paul M. Architzel, Chief Counsel, Division of Economic Analysis, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W., Washington, D.C. 20581, (202) 418–5260, or electronically, Mr. Architzel at [PArchitzel@cftc.gov].

SUPPLEMENTARY INFORMATION:

I. Background

Section 5a(a)(10) of the Act provides that, as a condition of contract market designation, boards of trade are required to:

> Permit the delivery of any commodity, on contracts of sale thereof for future delivery, of such grade or grades, at such point or points and at such quality and locational price differentials as will tend to prevent or diminish price manipulation, market congestion, or the abnormal movement of such commodity in interstate commerce. If the Commission after investigation finds that the rules and regulations adopted by a contract market permitting delivery of any commodity on contracts of sale thereof for future delivery, do not accomplish the objectives of this subsection, then the Commission shall notify the contract market of its finding and afford the contract market

an opportunity to make appropriate changes in such rules and regulations. If the contract market within seventy-five days of such notification fails to make the changes which in the opinion of the Commission are necessary to accomplish the objectives of this subsection, then the Commission after granting the contract market an opportunity to be heard, may change or supplement such rules and regulations of the contract market to achieve the above objectives * * *.

The Commission, by letter dated December 19, 1996, commenced a proceeding under section 5a(a)(10) of the Act by issuing to the CBT a notification that the delivery specifications of its corn and soybean futures contracts no longer accomplish the statutory objectives of ''permit[ting] the delivery of any commodity * * * at such point or points and at such quality and locational price differentials as will tend to prevent or diminish price manipulation, market congestion, or the abnormal movement of such commodity in interstate commerce.'' Letter of December 19, 1996, to Patrick Arbor from the Commission, 61 FR 67998 (December 26, 1996) (section 5a(a)(10) notification).

The CBT, on April 16, 1997, submitted its response to the section 5a(a)(10) notification in the form of proposed exchange rule amendments. Those proposed rule amendments would have replaced the existing delivery system involving delivery of warehouse receipts representing stocks of grain stored at terminal elevators in Chicago, Toledo, and St. Louis with delivery of shipping certificates.[1] A shipping certificate would have provided for corn or soybeans to be loaded into a barge at one of the shipping stations located along a 153-mile segment of the Illinois River from Chicago (including Burns Harbor, Indiana) to Pekin, Illinois and additionally to be delivered in Chicago by rail or vessel. Delivery at all eligible locations would have been at par. The CBT's proposal would have eliminated the current delivery points on its corn and soybean futures contracts at Toledo, Ohio and St. Louis, Missouri and would have restricted firms eligible to issue shipping certificates to those meeting a minimum net worth requirement of $40 million, in addition to a number of other requirements.

The Commission published the substance of the CBT's proposed amendments in the **Federal Register** for public comment, receiving almost 700 comments, the largest number of comments ever received by the Commission on any issue before it. In addition, at the request of the CBT, the Commission held a public meeting on June 12, 1997, to accept oral and written statements by the CBT and interested members of the public. 62 FR 29107 (May 29, 1997).

On September 15, 1997, the Commission issued a proposed order, publishing its text in the **Federal Register** with a request for public comment. 62 FR 49474 (September 22, 1997). Over 230 commenters submitted comments to the Commission on the proposed order. In addition, the Commission held a public meeting on October 15, 1997, at which the CBT was afforded an opportunity to appear before the Commission and to be heard. Subsequently, the CBT filed written exceptions to the proposed order.

On November 7, 1997, the Commission issued a final Order to the CBT under section 5a(a)(10) of the Act. 62 FR 60831 (November 13, 1997) (November 7 Order or Order). The Commission's Order found that the CBT's proposal failed to meet the requirements of sections 5a(a)(10), 5a(a)(12), 8a(7), and 15 of the Act because of (1) an inadequate amount of deliverable supplies of soybeans; (2) the failure to include required locational differentials; (3) the failure to provide an adequate rule for alternative deliveries if river transportation were obstructed; and (4) the substantial impediment to eligibility for issuing corn and soybean shipping certificates imposed by the CBT's proposed $40 million minimum net worth requirement.

Based on these findings, the Commission changed and supplemented the delivery locations for CBT's soybean futures contract by retaining the Toledo, Ohio switching district and the St. Louis/East St. Louis/Alton areas as delivery locations, with Toledo priced at par and the St. Louis/East St. Louis/Alton area priced at a premium over contract price of 150 percent of the difference between the Waterways Freight Bureau Tariff No. 7 rate applicable to that location and the rate applicable to Chicago, Illinois. The Commission also required that both corn and soybeans from shipping locations on the northern Illinois River be deliverable at a premium over contract price of 150 percent of the difference between the Waterways Freight Bureau Tariff No. 7 rate applicable to that location and the rate applicable to Chicago, Illinois, with Chicago at contract price. With respect to both the CBT corn and soybean futures contracts, the Commission ordered that the contingency plan for alternative delivery procedures when traffic on the northern Illinois River is obstructed be changed and supplemented and that the $40 million minimum net worth eligibility requirement for issuers of shipping certificates be eliminated. The Commission ordered that the contract terms as changed and supplemented would apply beginning with contract months in the year 2000 and that the preexisting contract terms would apply to contract months in the year 1999.

The Commission's Order did not ''preclude( ) the CBT from submitting for Commission review and approval under sections 5a(a)(10) and 5a(a)(12) of the Act any alternative proposed delivery specifications for its corn or soybean futures contracts.'' 62 FR 60833. To the contrary, the Order provided that the CBT—

> Will continue to be free to propose revisions of the new terms to the Commission for its consideration under sections 5a(a)(10) and 5a(a)(12) or to submit a petition to the Commission to reconsider or to amend this Order. If the CBT believes that an alternative to the new terms and to its original proposal would better serve its business interests and would also meet the statutory requirements, the CBT should submit such a proposed rule revision or petition.

Id. at 60834.

By letter dated November 17, 1997, the CBT on November 18, 1997, notified the Commission that it would be submitting for Commission review such an alternative for contract months in the year 2000 and thereafter. Proposed revisions of the CBT corn and soybean futures contracts will be submitted to the CBT membership for its approval in mid-December 1997, and the CBT expects to submit the proposed revisions for Commission review and action upon membership approval. However, the CBT has requested that the Commission seek public comment at this time on the draft proposed revisions in anticipation of the CBT's receiving the requisite approval of its membership in order to expedite the Commission's consideration and review of them. The Commission has determined that publication of the draft proposed revisions at this time is in the public interest and will assist the Commission in its consideration of these issues.

II. CBT's Draft Proposed Revisions

CBT's draft proposed revisions for contract months in the year 2000 and thereafter would have the following terms. The soybean futures contract would call for shipping certificate

[1] A shipping certificate is a negotiable instrument that represents a commitment by the issuer to deliver (e.g., load into a barge) corn or soybeans to the certificate holder, pursuant to terms specified by the CBT, whenever the holder decides to surrender the certificate to the issuer.

delivery from shipping stations located along the entire Illinois River (extending from Chicago and including Burns Harbor, Indiana, to Grafton, Illinois at the river's mouth) and that portion of the upper Mississippi River from the mouth of the Illinois River to St. Louis. Delivery at Chicago/Burns Harbor would be at par, and delivery at other locations would be at the following premiums: shipping stations located along the Illinois River from river mile 304 at the junction of the Calumet Sag Channel and the Chicago Sanitary & Ship Canal to river mile 170 between Chillicothe and Peoria would be priced at a premium of 2 cents per bushel; shipping stations located from river mile 170 to the mouth of the Illinois River at Grafton would be priced at a premium of 3 cents per bushel; and shipping stations located at the St. Louis/East St. Louis/Alton delivery area would be priced at a premium of 5 cents per bushel.

The corn futures contract would retain the delivery locations contained in the Commission's November 7 Order: shipping stations located along that portion of the northern Illinois River from Chicago (including Burns Harbor, Indiana) to Pekin, Illinois. Delivery at Chicago/Burns Harbor would be at par; delivery from shipping stations located along the Illinois River from river mile 304 at the junction of the Calumet Sag Channel and the Chicago Sanitary & Ship Canal to river mile 170 between Chillicothe and Peoria would be priced at a premium of 2 cents per bushel; and delivery from river mile 170 to river mile 151 at Pekin would be at a premium of 3 cents per bushel.

To qualify for regularity, a shipping certificate issuer would have to register to load a minimum of 3 barges per day at Chicago/Burns Harbor and at St. Louis/East St. Louis/Alton (for soybeans) and one barge per day at all other locations. In addition, a regular issuer would have to be capable of registering a minimum number of certificates equivalent to 30 barges (1,650,000 bushels) of corn or soybeans. A shipper would also have to have a net worth equivalent to four times the value of the certificates issued and could not issue certificates for an amount greater than 30 times its registered daily barge-loading capacity or, in the case of Chicago, its registered storage capacity. The contracts would also provide a contingency plan in case of obstructions to river traffic that would require a shipper to make the product available in a loaded barge with freight pre-paid to New Orleans at an Illinois or Mississippi River location below the obstruction. The receiver would be obligated to reimburse the shipper at a flat specified rate (detailed below) intended to cover the cost of shipping from the original shipping station to New Orleans.

The quality specifications, unit of trading, delivery months, last trading day, price basis, price fluctuation limits, and speculative position limits for the corn and soybean futures contracts would be the same as those for the respective existing futures contracts.

The terms of CBT's draft proposed revisions differ in a number of ways from the contract terms contained in the Commission's November 7 Order. In particular, for soybeans the draft proposed revisions would delete Toledo, Ohio as a delivery point, but add shipping stations on the Illinois River from Pekin to the river's mouth. In addition, for both corn and soybeans the draft proposed revisions would establish a fixed cents per bushel price differentials for all non-par locations within a specified ''region,'' in contrast to the Commission's Order which established separate price differentials for each non-par location based on the difference between 150% of tariff rate applicable to that shipping station and 150% of tariff rate applicable to Chicago.

The CBT's draft proposed revisions would also establish a new regularity requirement on shipping certificate issuers which is not contained in the Commission's Order. Specifically, issuers would have to register a minimum number of shipping certificates equivalent to 30 barges (1,650,000 bushels) of corn or soybeans. In addition, the CBT's draft proposed revisions for soybeans would require issuers at St. Louis/East St. Louis/Alton to load three barges per day, rather than one barge per day as provided in the Commission's Order.

Finally, the reimbursement method for makers of delivery under the draft proposed revisions to the contingency rule would be different from that established in the Commission's Order. In particular, the draft proposed revisions would require shippers affected by a river obstruction to make the product available in a loaded barge with freight pre-paid to New Orleans at an Illinois or Mississippi river location below the obstruction. Under the Order, the shipper is merely required to provide the product at a shipping station below the obstruction. In addition, under the CBT's draft proposed revisions, the receiver would be obligated to reimburse the shipper at a fixed rate intended to cover the full cost of shipping the product from the original shipping station to New Orleans, set at 20 cents per bushel for Chicago/Burns Harbor issuers, 16 cents per bushel for northern Illinois River issuers, 12 cents per bushel for southern Illinois River issuers, and for soybeans only, 7 cents per bushel for St. Louis/East St. Louis/Alton issuers. Under the Commission's Order, reimbursement is made based on the difference in barge freight to New Orleans from the original shipping station and the alternative shipping station, calculated at 150% of the tariff rate applicable to the respective stations, and thus is the same as the method of establishing locational differentials between delivery locations under normal (non-contingency) situations.

The complete text of the CBT's draft proposed revisions for the corn and soybean futures contracts can be accessed through the Commission's internet web site, at http://www.cftc.gov., ''What's Pending,'' and is also available by request from the Commission's Office of the Secretariat at the address noted above.

III. Procedure for Commission Review

The CBT's letter of November 17, 1997, indicated the CBT's intention to file its proposed revisions as applications for contract market designations and to request ''fast track'' review ''pursuant to Section 5a(a)(12) of the Act and CFTC regulation rule 1.41.'' The Commission finds that upon submission by the CBT the proposed revisions will be ineligible for fast track consideration under the Commission's rules for the following reasons. The Commission has issued a final Order under section 5a(a)(10) of the Act relating to the contract terms of the CBT's corn and soybean futures contracts. The CBT's proposed revisions to that Order pose difficult economic and legal issues which cannot appropriately be addressed under the summary fast track procedures. Moreover, the Commission recognizes that the broad public interest in this issue requires that the public be given an adequate opportunity to comment on the proposed revisions. Therefore, the Commission will consider the proposed revisions, when submitted by the CBT, under the provisions of sections 5a(a)(10), 5a(a)(12) and 6 of the Act (and other provisions of the Act, as applicable) and not under the fast track procedures.

Even though the Commission finds that the CBT's proposed revisions will be ineligible for fast track review when submitted, it intends to act expeditiously on them. Moreover, the Commission believes that publication of the CBT's draft proposed revisions for a comment period of forty-five days will provide sufficient time for public consideration of these issues and will look with disfavor upon requests for extension of the comment period.

Accordingly, for the above reasons, the Commission finds that publication of the CBT's draft proposed revisions is in the public interest and will assist the Commission in its consideration of these issues. Commenters are invited to analyze the following issues relating to the CBT's draft proposed revisions and to submit written data, views or comments relating to the draft proposed revisions:

1. Would available deliverable supplies of corn and soybeans be sufficient ''to tend to prevent or diminish price manipulation, market congestion, or the abnormal movement of such commodity in interstate commerce,'' as required by the Act?

2. Would the price differentials for delivery at non-par locations appropriately reflect cash market price differentials for corn or soybeans at such locations relative to each commodity's value at the par delivery point of Chicago, Illinois?

3. Would the proposed load-out provisions calling for three barges per day at Chicago/Burns Harbor and at St. Louis/East St. Louis/Alton (for soybeans) and one barge per day at all other locations conform to commercial practices?

4. Under the contingency plan for river obstructions, the maker would be required to provide the product in loaded barges cif New Orleans. Would the reimbursement to makers of delivery reflect commercial practices? How does the reimbursement scheme relate to the locational price differentials for non-contingency conditions?

5. Would the minimum net worth requirements be necessary to ensure performance on the corn and soybean futures contracts? Do they unduly limit eligibility of firms to become issuers of shipping certificates?

Issued in Washington, D.C., this 26th day of November, 1997, by the Commodity Futures Trading Commission.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 97–31534 Filed 11–28–97; 8:45 am]

BILLING CODE 6351–01–P

COMMODITY FUTURES TRADING COMMISSION

Proposed Amendments to Minneapolis Grain Exchange Durum Wheat Futures Contract and an Application for Designation as a Contract Market in Durum Wheat Futures Options

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice of availability of proposed rule amendments and an application for contract market designation.

SUMMARY: The Minneapolis Grain Exchange (MGE or Exchange) has proposed amendments to the dormant durum wheat futures contract, along with a proposal to reactivate trading in that futures contract pursuant to the provisions of Commission Regulation 5.2. In addition, the Exchange submitted an application for designation as a contract market in durum wheat futures options. The proposals were submitted under the Commission's 45-day Fast Track procedures. The Acting Director of the Division of Economic Analysis (Division) of the Commission, acting pursuant to the authority delegated by Commission Regulation 140.96, has determined that publication of the proposals for comment is in the public interest, will assist the Commission in considering the views of interested persons, and is consistent with the purpose of the Commodity Exchange Act.

DATES: Comments must be received on or before December 16, 1997.

ADDRESSES: Interested persons should submit their views and comments to Jean A. Webb, Secretary, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW Washington, DC 20581. In addition, comments may be sent by facsimile transmission to facsimile number (202) 418–5521, or by electronic mail to secretary@cftc.gov. Reference should be made to MGE durum wheat.

FOR FURTHER INFORMATION CONTACT: Please contact John Bird of the Division of Economic Analysis, Commodity Futures Trading Commission, Three Lafayette Centre, 21st Street NW, Washington, 20581, telephone (202) 418–5274. Facsimile number: (202) 418–5527. Electronic mail: jbird@cftc.gov

SUPPLEMENTARY INFORMATION: The proposed amendments and the designation application were submitted pursuant to the Commission's Fast Track procedures for streamlining the review of futures contract rule amendments and new contract approvals (62 FR 10434). Under those procedures, the proposals, absent any contrary action by the Commission, may be deemed approved at the close of business on January 2, 1998, 45 days after receipt of the proposals. In view of the limited review period provided under the Fast Track procedures, the Commission has determined to publish for public comment notice of the availability of the terms and conditions for 15 days, rather than 30 days as provided for proposals submitted under the regular review procedures.

The amended durum wheat futures contract would call for the delivery at par of shipping certificates representing 5,000 bushels of durum wheat meeting or exceeding specified quality requirements, including a minimum test weight of 60 pounds per bushel and a minimum protein content of 13 percent. Issuers of the proposed shipping certificates would be required to meet certain financial and other requirements, and must be approved by the MGE. Upon surrender of a shipping certificate, the issuer would be required to load the delivery durum wheat in rail cars at a location specified by the certificate issuer, with the issuer being obligated to pay the railroad freight costs to a point designated by the issuer located in the Minneapolis-St. Paul Switching District. Delivery by truck would also be permitted under specified conditions.

Shipping certificate receivers would be obligated to pay a premium charge of one-twelfth of one cent per bushel for each calendar day that the receiver holds the certificates.

Trading would be conducted in the contract months of March, May, July, September, and December. Prices would be quoted in dollars and cents per bushel. The minimum price fluctuation would be one-quarter (¼) cent per bushel. A maximum daily price fluctuation limit of 20 cents per bushel would be applicable to trading at all times in each contract month, except that such price limit would not be applicable to expiring contract months commencing on the first business day of such months.

Delivery of shipping certificates could be made on any business day of the contract month. Trading in an expiring contract month would end on the business day immediately preceding the last seven business day of that month.

Durum wheat options would trade in the same months as the futures contract. The last trading day for expiring option contract months would be the Friday that precedes the first notice day of the underlying futures contract month by at least five business days. The options for