

Tariffs and Trade 1994; and Article 4 of the Agreement on Agriculture.

On April 7, 1997, the Government of the United States requested consultations with Japan regarding these measures pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Article 11 of the Agreement on the Application of Sanitary and Phytosanitary Measures, Article XXIII of the General Agreement on Tariffs and Trade 1994, and Article 19 of the Agreement on Agriculture.

Under section 304 of the Trade Act, the USTR must determine within 18 months after the date on which this investigation was initiated, or within 30 days after the conclusion of World Trade Organization dispute settlement procedures, whichever is earlier, whether any act, policy, or practice or denial of trade agreement rights described in section 301 of the Trade Act exists and, if that determination is affirmative, the USTR must determine what action, if any, to take under section 301 of the Trade Act.

Public Comment: Requirements for Submissions

Interested persons are invited to submit written comments concerning the acts, policies and practices of Japan which are the subject of this investigation, the amount of burden or restriction on U.S. commerce caused by these acts, policies and practices, and the determinations required under section 304 of the Trade Act. Comments must be filed in accordance with the requirements set forth in 15 CFR 2006.8(b) (55 FR 20593) and must be filed on or before noon on Tuesday, November 11, 1996. Comments must be in English and provided in twenty copies to: Sybia Harrison, Staff Assistant to the Section 301 Committee, Room 223, Office of the U.S. Trade Representative, 600 17th Street, NW, Washington, DC 20508.

Comments will be placed in a file (Docket 301-112) open to public inspection pursuant to 15 CFR 2006.13, except confidential business information exempt from public inspection in accordance with 15 CFR 2006.15. Confidential business information submitted in accordance with 15 CFR 2006.15 must be clearly marked "BUSINESS CONFIDENTIAL" in a contrasting color ink at the top of each page on each of 20 copies, and must be accompanied by a nonconfidential summary of the confidential information. The nonconfidential summary shall be placed in the file that is open to public inspection. An appointment to review

the docket (Docket No. 301-112) 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 1:00 p.m. to 4:00 p.m., Monday through Friday, and is located in Room 101.

Irving A. Williamson,

Chairman, Section 301 Committee.

[FR Doc. 97-27304 Filed 10-15-97; 8:45 am]

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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. WTO/D-19]

WTO Dispute Settlement Proceeding Regarding Korean Taxes on Alcoholic Beverages

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 establishment of a dispute settlement panel under the Agreement Establishing the World Trade Organization (WTO), to examine excise taxes imposed by Korea on distilled spirits. In this dispute the United States alleges that Korea's excise taxes are inconsistent with Article III:2 of the General Agreement on Tariffs and Trade 1994 (GATT 1994). 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 November 1, 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: Korea Spirits Dispute, Office of the U.S. Trade Representative, 600 17th Street, NW., Washington, DC 20508.

FOR FURTHER INFORMATION CONTACT: Rick Ruzicka, Office of Asia & the Pacific, (202) 395-4755; Francis James, Office of Monitoring and Enforcement, (202) 395-3582; or Rachel Shub, Associate General Counsel, (202) 395-7305.

SUPPLEMENTARY INFORMATION: On September 10, 1997, the United States

requested the establishment of a WTO dispute settlement panel to examine whether taxes on distilled spirits imposed by Korea are inconsistent with Korea's obligations under the GATT 1994. The WTO Dispute Settlement Body is likely to establish the panel no later than October 16, 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 nine months after it is established.

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

Korea assesses excise taxes at different rates on different types of distilled spirits. Under its general liquor tax law, Korea imposes a lower tax on soju, a traditional Korean distilled spirit, than the high taxes it applies to other distilled spirits such as whiskey, brandy, vodka, rum, gin and "ad-mixtures." This tax differential is made even more dramatic by the application of an Education Tax, which is higher when the liquor tax rates are higher. Soju is very similar to the distilled products produced by the United States and also is in direct competition in the market with them. The result of this tax rate differential is a tax burden on some U.S. distilled spirits that is over four times greater than the burden on soju (assuming the actual prices were the same). The United States claims that these taxes contravene the obligations of Korea under Article III:2 of the GATT 1994.

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.

Information or advice contained in a comment submitted, other than business confidential information, may be determined by USTR to be confidential in accordance with section 135(g)(2) of the Trade Act of 1974 (19 U.S.C. 2155(g)(2)). If the submitter believes that information or advice may qualify as such, the submitter—

(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, NW., 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-19, "Korea Spirits Dispute") 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.

[FR Doc. 97-27481 Filed 10-15-97; 8:45 am]

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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. WTO/D-21]

WTO Dispute Settlement Proceeding Regarding Indian Import Restrictions on Agricultural, Textile and Industrial Products

AGENCY: Office of the United States Trade Representative.

ACTION: Notice; request for comments.

SUMMARY: Pursuant to section 127(b)(1) of the Uruguay Agreements Act (URAA) (19 U.S.C. 3527(b)(1)), the Office of the United States Trade Representative (USTR) is providing notice that the United States has requested establishment of a dispute settlement panel under the Agreement Establishing the World Trade Organization (WTO), to examine quantitative restrictions maintained by India on over 2700 agricultural, textile and industrial product tariff lines. In this dispute the United States alleges that India's

quantitative restrictions are inconsistent with Articles XI, XIII and XVIII of the General Agreement on Tariffs and Trade 1994 (GATT 1994), and Article 4.2 of the WTO Agreement on Agriculture, and Article 3 of the WTO Agreement on Imports Licensing Procedures. 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 November 10, 1997 to be assured if 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: India Import Restrictions Dispute, Office of the U.S. Trade Representative, 600 17th Street, NW., Washington, DC 20508.

FOR FURTHER INFORMATION CONTACT: Rick Ruzicka, Office of Asian & the Pacific (202) 395-4755, Elena Bryan, Office of WTO and Multilateral Affairs, (202) 395-5079, Amelia Porges, Senior Counsel for Dispute Settlement, (202) 395-7305, or Gregory Gerdes, Office of Monitoring and Enforcement, (202) 395-3582).

SUPPLEMENTARY INFORMATION: On October 3, 1997, the United States requested the establishment of a WTO dispute settlement panel to examine whether quantitative restrictions maintained by India are inconsistent with India's obligation under the GATT 1994, the Agreement on Agriculture and the Agreement on Import Licensing Procedures. The WTO Dispute Settlement Body is likely to establish the panel no later than November 18, 1997. Under normal circumstances, the panel, which will hold its meetings in Geneva, Switzerland, would be expected to issue a report detailing findings and recommendations within nine months after it is established.

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

Since the 1940s, India has maintained quantitative restrictions on imports of many agricultural, textile and industrial products. These restrictions were formerly maintained under provisions of the GATT which permit import restrictions to protect against a serious decline in a GATT member's foreign exchange reserves, or in the case of a GATT member with inadequate reserves, to achieve a reasonable rate of increase in those reserves. However, India's foreign exchange situation no

longer justifies import restrictions; this fact has been recognized by the International Monetary Fund.

There are currently 2,714 eight-digit Indian tariff line items (one third of India's tariff schedule) subject to import restrictions or prohibitions for which no claim of legal justification has been made other than the GATT balance-of-payments provisions. These items are also subject to a complex and non-transparent import licensing system. The United States believes that these measures are inconsistent with several provisions of the WTO agreements. It appears that India's maintenance of import quotas is inconsistent with Articles XI:1 and XVIII:11 of the GATT 1994, and is not justified as a balance-of-payments measure under Article XVIII of the GATT 1994; India's maintenance of import quotas is also inconsistent with Article 4.2 of the Agreement on Agriculture; and India's import licensing procedures and practices are inconsistent with Article XIII:3(b) of the GATT 1994 and Article 3 of the Agreement on Import Licensing Procedures.

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.

Information or advice contained in a comment submitted, other than business confidential information, may be determined by USTR to be confidential in accordance with section 135(g)(2) of the Trade Act of 1974 (19 U.S.C. 2155(g)(2)). If the submitter believes that information or advice may qualify as such, the submitter—

(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