

and will take action under section 301(a) of the Trade Act if Argentina fails to implement the rulings and recommendations of the WTO reports within a reasonable period of time to be determined in accordance with WTO rules.

EFFECTIVE DATE: April 3, 1998.

ADDRESSES: 600 17th Street, NW, Washington, DC 20508.

FOR FURTHER INFORMATION CONTACT: Kellie A. Meiman, Director for Mercosur and the Southern Cone, (202) 395-5190, or Hal S. Shapiro, Assistant General Counsel, (202) 395-3582.

SUPPLEMENTARY INFORMATION: Under the GATT 1994, Argentina agreed to a maximum tariff rate of 35 percent of the value of imported textile, apparel and footwear products. Argentina, through, has imposed minimum specific duties—i.e., a minimum flat rate—applicable to hundreds of categories of textiles, apparel and footwear that exceed 35 percent when assessed on a wide variety of imports. The imposition of duties greater than an agreed upon maximum rate is inconsistent with Article II of the GATT 1994, which provides that imports shall be exempt from all duties or charges of any kind imposed on or in connection with importation in excess of those set forth in a WTO Member's tariff binding.

Argentina also has imposed a statistical tax on almost all imports that is calculated based on the value of the merchandise subject to it. The tax formerly was 3 percent of the price of covered imports, but Argentina reduced it to 0.5 percent in January 1998. Article VIII of the GATT 1994 states that all fees and charges imposed by WTO members, other than ordinary import or export duties, shall be limited to the approximate cost of services rendered and shall not represent an indirect protection to domestic products or a taxation of imports for fiscal purposes. Because the statistical tax is levied as a percentage of the value of imported items, and has no maximum charge, it is not limited to the cost of any service rendered.

On January 22, 1997, the United States requested the establishment of a WTO dispute settlement panel to examine whether Argentina's measures are inconsistent with its obligations under the WTO agreements. On November 25, 1997, the panel determined that Argentina's specific duties on textiles and apparel violate GATT Article II and that the statistical tax violates GATT Article VIII. The panel's decision did not address Argentina's specific duties on footwear because, shortly after the United States

requested the establishment of a panel, Argentina revoked these duties and imposed a safeguard measure in their place. On March 27, 1998, the WTO Appellate Body affirmed the panel's decision, though it disagreed with the panel's reasoning in certain respects.

Pursuant to section 304(a)(1)(A) of the Trade Act (19 U.S.C. 2414(a)(1)(A)), the USTR is required to determine in this case whether Argentina's specific duties and statistical tax violate, or otherwise deny, benefits to which the United States is entitled under a trade agreement. Where that determination is affirmative, the USTR must take action under section 301 of the Trade Act (19 U.S.C. 2411), subject to the specific direction of the President, if any, unless the USTR finds that one of the circumstances set forth in section 301(a)(2)(B) (19 U.S.C. 2411(a)(2)(B)) exists.

Based on the results of the WTO dispute settlement proceedings, as well as public comments received and appropriate consultations, the USTR has determined that Argentina's specific duties on textile and apparel imports violate Argentina's obligations under GATT 1994 Article II and its statistical tax on almost all imports violates GATT Article VIII.

The decision of the panel, as modified by the decision of the Appellate Body, was adopted at the April 22, 1998 meeting of the DSB. The USTR expects that Argentina will conform its specific duties and statistical tax to meet its obligations under the GATT 1994, consistent with the decisions of the panel and the Appellate Body, and will do within a reasonable period of time to be determined in accordance with WTO rules. Therefore, pursuant to section 301(a)(2)(B)(i) of the Trade Act, the USTR is not taking action at this time under section 301(a) of the Trade Act and has terminated this investigation. Pursuant to section 306 of the Trade Act (19 U.S.C. 2416), the USTR will monitor Argentina's implementation of the WTO reports and will take action under section 301(a) if Argentina fails to implement the rulings and recommendations of the WTO reports within a reasonable period of time to be determined in accordance with WTO rules.

Irving A. Williamson,

Chairman, Section 301 Committee.

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Proposed Change #3 to FAA-P-8110-2, Airship Design Criteria (ADC)

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of availability and request for comments.

SUMMARY: Change 3 is based on a National Transportation Safety Board (NTSB) recommendation calling for envelope tear warning systems on new airship certification projects. The recommendation stems from an airship accident that resulted from an envelope failure. Change 3 requires that some means of indication or warning system will alert the pilot of envelope tears. This could be an elaborate warning system based on sensors or simple gauges located and marked such that an unusual indication would be obvious to the pilot.

DATES: Comments must be received on or before June 8, 1998.

ADDRESSES: Send all comments to: Federal Aviation Administration, Small Airplane Directorate, Standards Office, ACE-110, 601 East 12th Street, Kansas City, Missouri 64106.

FOR FURTHER INFORMATION CONTACT: Lowell Foster, Regulations and Policy Branch, ACE-111, at the address above, telephone number (816) 426-6941.

SUPPLEMENTARY INFORMATION: Any person may obtain a copy of this information by contacting the person named above under **FOR FURTHER INFORMATION CONTACT**.

Comments Invited

We invite interested parties to submit comments on the proposed change to the ADC. Commenters must identify the report number (FAA-P-8110-2) and submit comments to the address specified above. The FAA will consider all communications received on or before the closing date for comments before issuing the final Change 3 to the ADC. The proposed changes to the ADC and comments received may be inspected at the Standards Office (ACE-110), 1201 Walnut, Suite 900, Kansas City, Missouri, between the hours of 7:30 a.m. and 4 p.m. weekdays, except Federal holidays.

Background

In 1993, an airship came to rest on top and draped over a seven-story building in New York, New York, after the airship deflated in flight and became uncontrollable. The airship suffered a large tear in the envelope, the material

that makes up the shape of the balloon portion of the airship. The NTSB subsequently investigated and recommended several changes to the FAA's airship design standards. One of the recommendations called for an envelope tear warning system.

The primary reason for the NTSB's recommendation for the envelope tear warning system came from the crew's report. The pilot and passenger both stated that they were not aware of the loss of envelope pressure until the airship began to collapse, even though there was a pressure gauge and a low pressure indicator light to alert them of envelope damage. Although crew procedures for both major and minor envelope tears had been established, those actions were not accomplished because the crew did not initially recognize that the envelope was damaged.

The emergency procedures for this airship, relating to a tear in the envelope, are to operate the airship with a very low pressure. Very low pressure causes the airship to lose rigidity, but minimizes the loss of helium while maintaining controllability. If the emergency procedure is not followed, ballonets will automatically attempt to keep the envelope pressure constant, forcing helium out through the tear. Ballonets are airbags contained within the envelope that are inflated with air to control the rigidity and sometimes the center of gravity (trim) of the airship. A warning light and alarm activate when the envelope pressure drops below a nominal level; however, if the ballonets continue to automatically inflate to maintain envelope pressure, the alarm system does not activate until substantial helium is lost.

The NTSB noted that the airship was not equipped nor required to be equipped with a ballonet inflation rate transducer or other device, which might have alerted the crew to the loss of significant quantities of helium. The NTSB believes that had the airship been equipped with a better warning system, the pilot would have been alerted to the loss of pressure earlier and could have taken prudent emergency actions to improve the possibility of a controlled emergency landing.

Issued in Kansas City, Missouri, on April 30, 1998.

Michael Gallagher,
Manager, Small Airplane Directorate, Aircraft Certification Service.

Proposed Change #3 To FAA-P-8110-2 Airship Design Criteria (ADC)

New Item: Add to 6.2 "(i)"

Change 3 is based on a National Transportation Safety Board (NTSB)

recommendation calling for envelope tear warning systems on new airship certification projects. The recommendation stems from an airship accident that resulted from an envelope failure. Change 3 requires that some means of indication or warning system will alert the pilot of envelope tears.

The new paragraph will be added to item 6.2 as follows:

(i) Means to warn the pilot of envelope tears.

Acceptable compliance means include systems as simple as locating and marking both envelope and ballonet pressure gauges so that unusual indications (rapid loss of helium) are immediately noticeable to the pilot. If an airship valving system is complex or automatic, a system such as a ballonet airflow rate change sensor connected to a warning system may be more appropriate.

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE-98-8]

Petitions for Exemption; Summary of Petitions Received; Dispositions of Petitions Issued

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petitions for exemption received and of dispositions of prior petitions.

SUMMARY: Pursuant to FAA's rulemaking provisions governing the application, processing, and disposition of petitions for exemption (14 CFR Part 11), this notice contains a summary of certain petitions seeking relief from specified requirements of the Federal Aviation Regulations (14 CFR Chapter I), dispositions of certain petitions previously received, and corrections. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of any petition or its final disposition.

DATES: Comments on petitions received must identify the petition docket number involved and must be received on or before May 28, 1998.

ADDRESSES: Send comments on any petition in triplicate to: Federal Aviation Administration, Office of the Chief Counsel, Attn: Rule Docket (AGC-200), Petition Docket No. _____, 800

Independence Avenue, SW., Washington, D.C. 20591. Comments may also be sent electronically to the following internet address: 9-NPRM-CMTS@faa.dot.gov.

The petition, any comments received, and a copy of any final disposition are filed in the assigned regulatory docket and are available for examination in the Rules Docket (AGC-200), Room 915G, FAA Headquarters Building (FOB 10A), 800 Independence Avenue, SW., Washington, D.C. 20591; telephone (202) 267-3132.

FOR FURTHER INFORMATION CONTACT:

Tawana Matthews (202) 267-9783 or Angela Anderson (202) 267-9681 Office of Rulemaking (ARM-1), Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591.

This notice is published pursuant to paragraphs (c), (e), and (g) of § 11.27 of Part 11 of the Federal Aviation Regulations (14 CFR Part 11).

Issued in Washington, D.C., on May 4, 1998.

Donald P. Byrne,

Assistant Chief Counsel for Regulations.

Petitions for Exemption

Docket No.: 29161.

Petitioner: World Airways, Inc.

Sections of the FAR Affected: 14 CFR 121.434(e).

Description of Relief Sought: To permit World Airways to use flight attendants who previously served with, and were trained by Aer Lingus as required crew members without those flight attendants having received five hours of supervised operating experience under part 121.

Docket No.: 25080.

Petitioner: Aeroservice Aviation Center, Inc.

Sections of the FAR Affected: 14 CFR 61.55(b)(3); 61.56(h)(1), (2), and (3); and 61.57(c)(3) and (d)(2); 61.58(e); 61.64(e)(3); 61.65(e)(2), and (g)(1) and (3); 61.67(c)(4) and (d)(2); 61.158(d)(1); 61.191(d); and 61.197(e).

Description of Relief Sought: To permit Aeroservice and persons who contract for services from Aeroservice to continue to use Federal Aviation Administration-approved flight simulators to meet certain flight experience requirements of part 61