1998, through April 30, 1998.[3] Subsequently, the Commission has approved extensions of the pilot program through September 30, 1998.[4]

Prior to the approval and implementation of the pilot program, SCCP charged a trade recording fee of $.47 per side for regular trades. The pilot program bifurcates the category of trade recording fees for regular trades into trades not matching with PACE orders and trades matching with PACE orders.[5] The trade recording fees for trades not matching with PACE orders remains $.47 per side. The pilot program reduces SCCP's trade recording fees for trades matching with PACE orders to: (i) $.27 per side for first 2,500 trades per month and (ii) $.10 per side for trades in excess of 2,500 per month.

SCCP believes that the trade recording fee reduction is equitable and reasonable. SCCP state that the PACE System provides participants and their customers with automated order entry, execution, and processing. One of the benefits of small order entry systems, such as PACE, is that customers pay lower fees for the use of PACE as opposed to manual order entry. SCCP further states that another benefit of PACE is the increased efficiency associated with automated order processing. In fact, lower fees generally recognize the reduction of participant and exchange personnel involved in PACE transactions. Therefore, reducing the total cost of exchange trading, in an equitable fashion, should encourage additional PACE business, which in turn, extends the many benefits of PACE to additional customers.

SCCP also believes that the proposed rule change provides tangible benefits for specialists that further promotes PACE business. Lower PACE fees for specialists should encourage specialists to more aggressively offer price improvement and should also provide increased liquidity for specialists as it reduces their cost of doing business. Additionally, lower PACE fees should make the fees for PHLX trades more competitive with other exchanges. This proposed rule change thus provides financial incentives for specialists to provide competitive markets at the PHLX.

For these reasons, SCCP believes that the proposed rule change is consistent with Section 17A(b)(3)(D) of the Act,[6] which requires that the rules of a registered clearing agency provide for equitable allocation of reasonable dues, fees, and other charges for services which it provides to its participants.

(B) Self-Regulatory Organization's Statement on Burden on Competition

SCCP does not believe that the proposed rule change will impose any inappropriate burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing rule change establishes or changes a due, fee, or other imposed by SCCP, it has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act[7] and Rule 19b–4(e)(2) thereunder[8] until December 31, 1998. This extension will give the Commission and SCCP additional time to evaluate whether the pilot program fees are equitable. At any time within sixty days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other that those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at SCCP. All submissions should refer to the File No. SR–SCCP–98–04 and should be submitted by February 2, 1999.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[9]

Margaret H. McFarland,

Deputy Secretary.

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[3] Securities Exchange Act Release No. 39630 (February 9, 1998), 63 FR 7848.

[4] Securities Exchange Act Release Nos. 39948 (May 4, 1998), 63 FR 25538 and 40274 (July 22, 1998), 63 FR 40578.

[5] PACE, an acronym for the Philadelphia Stock Exchange Automated Communication and Execution System, is a real time order routing and execution system.

[6] 15 U.S.C. 78q–1(b)(3)(D).

[7] 15 U.S.C. 78s(b)(3)(A)(ii).

[8] 17 CFR 240.19b–4(e)(2).

[9] 17 CFR 200.30–3(a)(12).

DEPARTMENT OF STATE

[Public Notice No. 2957]

Advisory Committee on Private International Law (ACPIL), Study Group on Electronic Commerce; Meeting Notice

The Study Group on Electronic Commerce of the Advisory Committee on Private International Law (ACPIL) will hold its next meeting from 1:00 to 5:00 p.m. on Wednesday, January 27 in Washington, DC. The purpose of the meeting will be to review recent proposals for international rules on electronic signature and authentication systems to be considered in February at the United Nations Commission on International Trade Law (UNCITRAL).

UNCITRAL has had before it since May 1997 proposals for rules on certain aspects of electronic signature and authentication systems. Consensus has been difficult to reach internationally, and the next meeting of the Commission is expected to determine whether that is feasible at this point in the development of electronic systems applications as well as underlying legal and technical rules or standards. A recent document prepared by the Secretariat on the basis of consultations with States, UN Doc.A/CN.9/WG.IV/WP.80, December 15, 1998, which contains proposed rules will be considered. Background documents and the status of this project are set out in UN Doc.A/CN.9/WG.IV/WP.78, December 2, 1998.

The proposed rules cover definitions of electronic and enhanced electronic signatures, signature holder and information certifier; compliance with requirements for signatures and originals, the obligations of signature holders and information certifiers, reliance, and other matters. At issue is whether they are a workable approach for international rules, which can at the

same time bridge the gap between countries who have sought rules favoring certain existing technologies and those seeking a minimalist approach until both market and new technology developments become more clear, and thus the effect on commerce and business applications more predictable.

The status of ongoing projects at various international bodies, both intergovernmental and private sector, as well as federal and state domestic law developments in the United States will be reviewed as appropriate. These may include recent developments at the OECD, APEC, the ICC and others, and the status of the proposed Uniform Electronic Transactions Act (UETA) and Uniform Commercial Code Article 2B, in view of the close connection between them in an era of globalization of commerce, information, and borderless connections through data networks. US proposals for a multilateral convention or bilateral agreements incorporating relevant provisions of the 1996 UNCITRAL Model Law will also be reviewed.

Recent UN documents that will be on the table at the Study Group meeting are available from the Office of Legal Adviser at the contact numbers indicated below, or at the following UN web page addresses: http://www.un.or.at/uncitral/english/sessions/wg__ec/wp-80.htm,and wp–78.htm. For additional background documents on electronic commerce, including the 1996 UNCITRAL Model Law on Electronic Commerce, as well as general information on other international law unification projects at the Commission, such as international project finance, secured interest financing and commercial arbitration, access the UNCITRAL web page at www.un.or.at/uncitral/index.html.

The Advisory Committee meeting will take place at the Department of Commerce at 14th and Pennsylvania Ave., NW in the Secretary's Conference Room 5855; attendees should use the main entrance on 14th Street. The meeting is open to the public up to the capacity of the meeting room; persons who cannot attend are welcome to comment, including any recommendations for possible U.S. positions on these matters. For further information, please contact Mark Bohannon, Chief Counsel for Technology at the Department of Commerce, (202) 482–1984, fax 482–0253, or Harold Burman, Advisory Committee Executive Director, at (202) 776–8421, fax 776–8482. Written comments or requests to be added to the ACPIL mailing list on electronic commerce can be sent to the Office of Legal Adviser (L/PIL), 2430 ''E'' Street, NW, Suite 355 South Building, Washington, DC 20037–2800.

Harold S. Burman,

Advisory Committee, Executive Director.

[FR Doc. 99–680 Filed 1–11–99; 8:45 am]

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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Trade Policy Staff Committee (TPSC); Request for Comments on CITEL Multilateral Negotiations Regarding a Mutual Recognition Agreement for Telecommunications Equipment

AGENCY: Office of the United States Trade Representative.

ACTION: Notice and request for public comments.

SUMMARY: The Trade Policy Staff Committee (TPSC) requests comments from interested persons to be used in formulating U.S. positions and objectives for negotiations on a mutual recognition agreement (MRA) for telecommunications equipment among member states of the Inter-American Telecommunications Commission (CITEL) of the Organization of American States (OAS).

DATES: Comments are due by noon on Tuesday, February 16, 1999.

ADDRESSES: Comments should be submitted to Gloria Blue, Executive Secretary, TPSC, ATTN: CITEL Telecom MRA Comments, Office of the United States Trade Representative, Room 122, 600 17th Street, NW, Washington, DC 20508.

FOR FURTHER INFORMATION CONTACT: William Corbett, Office of Industry Affairs, (202) 395–9586; or Joanna McIntosh, Office of General Counsel, (202) 395–7203.

SUPPLEMENTARY INFORMATION: Leaders at the December 1994 Summit of the Americas noted that the OAS has an important role to play in the development of telecommunications and information infrastructure in the Americas. CITEL is the OAS entity that is responsible for facilitating and furthering this development. CITEL member states include: Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Lucia, Saint Vincent and the Grenadines, Suriname, St. Kitts and Nevis, Trinidad and Tobago, United States of America, Uruguay, and Venezuela.

The Working Group on Equipment Certification of the CITEL Permanent Consultative Committee I (PCC–I) is a biannual forum in which the telecommunications officials of CITEL member states undertake cooperative endeavors: to liberalize trade in telecommunications goods and services; to facilitate private sector interaction with telecommunications authorities on policy and business issues; to coordinate efforts to promote human resources development in the regional telecommunications industry; and to improve regional telecommunications infrastructure. At its next meeting in February or March 1999, the CITEL Working Group on Equipment Certification will begin negotiations on a draft MRA for telecommunications equipment among CITEL member states.

Mutual recognition agreements allow exporters to test and/or certify equipment to importing countries' mandatory technical requirements. An MRA for telecommunications equipment among CITEL member states potentially would reduce redundancy in performing conformity assessments to satisfy importing countries' approval processes. This would shorten approval times in a sector subject to ever-shortening product life cycles, and thereby facilitate trade in telecommunications equipment among CITEL member states. An MRA for telecommunications equipment would enhance benefits accruing to the United States from the reduction in tariffs on telecommunications equipment under the Information Technology Agreement.

The World Trade Organization Agreement on Technical Barriers to Trade encourages members to enter into mutual recognition agreements that ''give mutual satisfaction regarding their potential for facilitating trade in the products concerned.'' An MRA does not require harmonization of mandatory technical requirements.

Public Comment: Requirements for Submissions

The TPSC, chaired by the Office of the United States Trade Representative (USTR) and including representatives of the Federal Communications Commission and the National Institute of Standards and Technology, requests comments on an MRA for telecommunications equipment among CITEL member states. These comments are to be used in the preparation of negotiating positions for upcoming CITEL Ad Hoc Equipment Certification Working Group meetings. Comments