

Signed at Beltsville, MD, May 27, 1999.

Phyllis E. Johnson,

Director, Beltsville Area, Agricultural
Research Service.

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DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

[Docket No. 99-026N]

Australia's Meat Safety Enhancement Program (MSEP)

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Notice of equivalence decision.

SUMMARY: The Food Safety and Inspection Service (FSIS) is announcing its decision that the Australian Quarantine and Inspection Service's (AQIS) Meat Safety Enhancement Program (MSEP) for slaughter inspection in establishments that slaughter meat for export to the United States: (1) Meets all requirements of U.S. law for the import of product to the United States; (2) provides the same level of public health protection as U.S. domestic slaughter inspection; and, (3) is therefore equivalent. The Agency will review its equivalence decision when AQIS completes the MSEP field trials and prepares a report for FSIS review. In the interim, Australian establishments that participate in the MSEP field trials may ship product to the United States.

ADDRESSES: Copies of the MSEP document are available from the FSIS Docket Clerk, Room 102 Cotton Annex, 300 12th Street, SW, Washington, DC 20250-3700. A copy may also be obtained from the Australian Quarantine and Inspection Service homepage at <http://www.dpie.gov.au/aqis/homepage>.

A transcript of the public meeting is available for review by the public in the FSIS Docket Room.

FOR FURTHER INFORMATION CONTACT: Mr. Mark Manis, Director, International Policy Division; Office of Policy, Program Development, and Evaluation; (202) 720-6400; or by electronic mail to mark.manis@usda.gov.

SUPPLEMENTARY INFORMATION:

Background

FSIS published a notice in the *Federal Register* on January 15, 1999 (64 FR 2621) announcing the availability of a document prepared by AQIS that sets forth AQIS's plan to conduct field trials of the MSEP—a new

slaughter inspection system. Australia sought the concurrence of the United States in order to continue meat exports to this country from plants that participate in a pilot test of MSEP. FSIS requested comments on the document that the public could submit in writing or at a public meeting.

Public Comments

FSIS held a public meeting on February 3, 1999, to discuss the MSEP program and hear public comments. At this meeting, AQIS presented its program and responded to concerns raised by attendees.

Most of the written comments expressed opposition to MSEP equivalence.

Those in favor pointed out that the MSEP proposal resolves issues raised in November 1997 when FSIS informed AQIS that Project 2 (an earlier version of MSEP) was not equivalent because it did not provide an adequate form or intensity of Federal oversight. Favorable comments also cited the AQIS commitment to station a Government inspector on each slaughter line at a point between carcass trimming and final rinse for 100% verification that zero-fecal and other defect requirements have been met.

Those opposed to MSEP equivalence raised various issues that are discussed in the following sections. Responses provided by AQIS are included in this discussion.

1. Several comments expressed concerns about an increase in cases of Salmonellosis reported in Australia during 1996 and 1997. These cases were said to reflect problems in the Australian domestic meat inspection system, which is similar to MSEP. AQIS responds to this issue as follows:

A Communicable Infectious Diseases report of the Australian Department of Health and Aged Care on *Salmonella* cases in Victoria showed that the main recent outbreaks were attributable to Italian-style ice cream, peanut butter, mayonnaise and processed meat products. There was no data indicating an association of cases with raw meat coming from abattoirs. Conclusions from the report indicate that 'gross errors in food handling and mishandling by consumers' were the principal contributing factors.

It was indicated that the 'high success rate in tracking the sources of outbreaks, and the associated publicity, probably led to more testing and more reporting of outbreaks which may previously have gone unreported.'

A recent baseline study conducted on Australian export beef (1996) demonstrated that the incidence of *Salmonella* on carcasses was 0.4%. Approximately 17 years ago a similar survey demonstrated that the incidence was 2.0%. The results of the 1996

baseline survey suggests that there has been a five-fold improvement in the reduction of *Salmonella* on Australian beef. The general prevalence of Salmonellosis world wide has increased, as it has in Australia, but it can be attributed to better testing and reporting in general, and in the case of Australia, to items such as peanuts, coleslaw, eggs, etc. Testing so far for *Salmonella* in the context of Pathogen Reduction/HACCP implementation in the Australian export meat plants has revealed a 0.05% positive isolation rate from beef carcasses.

FSIS notes that comments about domestic foodborne illness rates in Australia do not relate directly to MSEP equivalence or the equivalence of Australian plants certified for export to the United States. AQIS has implemented the same or equivalent Pathogen Reduction/Hazard Analysis Critical Control Point (HACCP) final rule microbial testing programs in all U.S.-certified Australian plants. Additionally, AQIS has collected baseline *Salmonella* data and other microbial data which indicate that the one plant presently proposed for MSEP pilot testing produces very clean product under traditional inspection. These data will be applied as performance standards during subsequent field trials while the trial plant operates under MSEP. AQIS will hold this plant responsible for attaining the same or better microbiological results under MSEP than it achieved under traditional inspection. As other Australian export plants qualify for MSEP, AQIS and FSIS will review their baseline to ensure that appropriate microbial performance standards are applied.

2. Some commenters expressed concerns about what activities constitute Government inspection under MSEP. AQIS responds as follows:

Government inspection under MSEP comprises all of the following activities and responsibilities outlined in the appropriate Australian Federal Government legislation (The Export Control Act and associated Export Meat Orders). These activities and responsibilities include: Facilities and site standards of construction, hygiene etc, fit and proper person clearance of company principals, operational process control, ante and post mortem verification and oversight, disposition and control, full time government veterinary officer oversight, 100% verification for zero fecal contamination by a government meat inspector stationed at the end of the slaughter line, microbiological verification (ESAM program), macroscopic verification (Meat Hygiene Assessment), government approved HACCP/QA system and, government certification.

FSIS notes that the AQIS proposal details qualification requirements for establishments that apply for MSEP participation and delineates activities

that AQIS will perform to ensure product wholesomeness and safety. The AQIS mark of inspection will be applied in MSEP plants to product that is handled, processed and stored in a manner that fully complies with AQIS Export Meat Orders and import requirements of the United States. AQIS will provide additional MSEP inspection controls as follows: (1) The AQIS meat inspector will be stationed on the line in cattle slaughter plants at a point before final wash; (2) final trimming will be under the supervision of the AQIS meat inspector; (3) the AQIS inspector will perform a verification for zero-fecal and other carcass defects on *each* carcass before final wash; (4) carcass defect data will be collected at this point on the line under the Meat Hygiene Assessment (MHA) program; and (5) the in-plant veterinarian will perform ante-mortem sampling, some verification activities, and oversight functions on the entire slaughter line.

Thus, AQIS inspection under MSEP will combine direct oversight of company employee functions combined with carcass-by-carcass verification that plant HACCP/Quality Assurance (QA) systems provide safe and wholesome product.

3. Several commenters questioned why AQIS has not provided baseline data for other plants that will participate in MSEP field trials. AQIS responds as follows:

In 1996/97 five plants were selected for inclusion in the proposed Project 2 pilot trial. Over the course of the collaborative development and evolution of the Project 2 model to the MSEP model, the number of eligible plants has been reduced now to one. This plant is a beef processing plant at Rockdale, NSW. One of the original selected plants dropped out due to the untimely death of the plant's QA manager. Two others wished to retain their EU listing so therefore do not qualify for inclusion in MSEP at this point of time. The other plant does not presently meet the AQIS pre-requisite requirements.

AQIS intends to bring this and other plants into the trial, once all pre-requisite conditions have been met, including collection of baseline data and prior consultation with FSIS.

Initial "before" data as outlined in the original Project 2 plan has been collected from these plants. But because only one of the plants progressed to the MSEP stage—benchmark or performance standard MSEP data is not available from any other Australian plant.

4. Some commenters suggest that MSEP cannot be found equivalent because AQIS presented no data proving it provides results equal to or better than traditional inspection. AQIS responds as follows:

MSEP has not yet been implemented. One plant has been selected for initial inclusion in MSEP. Performance standard data has been collected from this plant. This has included both macroscopic and microbiological data for product along with an objective measure of process conformance and individual government meat inspection effectiveness.

FSIS notes that AQIS cannot implement MSEP until FSIS agrees to accept meat from trial establishments. One purpose of MSEP field trials is to establish whether company employees achieve the same or better results under AQIS oversight and verification as were achieved by Government inspectors under traditional inspection. Nonetheless, FSIS concludes that MSEP is equivalent because it meets all requirements of U.S. law for the import of product to the United States and provides the same level of public health protection as U.S. domestic slaughter inspection.

5. Several commenters cited the 1998 European Union (EU) audit of Australia's export meat inspection system as evidence that AQIS controls are not fully effective. AQIS responds as follows:

The EU review of Australian meat export meat establishments, which took place in March and April 1998, raised some concerns in the minds of the EU reviewers. These concerns did not relate to food safety or sanitation but highlighted operational and interpretational differences between European requirements and the Australian system, which have been operating for many years with EU concurrence.

Following high level consultations between senior Australian and EU officials in Brussels in October 1998, the EU has accepted assurances provided by Australia. The conclusions of the October 1998 meeting were viewed positively by both the EU and Australian officials.

FSIS notes that in the February 3 public meeting, AQIS fielded similar comments and explained that Australia and the EU had reached an agreement that preserved Australia's export listing. AQIS made it clear that it did not concur with some EU findings and had presented a vigorous defense of its program that resulted in an agreement of equivalence. In order to allay any lingering EU concerns, AQIS invited the EU to conduct a follow-up audit in 1999 for verification that all aspects of the equivalence agreement have been implemented. In May 1999, FSIS will also visit Australia to conduct a full audit of the Australian export meat inspection system. The Agency will make the results of that audit public.

6. Several commenters, including the Community and Public Sector Union (CPSU) that represents Australian

Government meat inspectors, allege that AQIS has misrepresented union support for MSEP. They contend that CPSU has made its opposition to MSEP clear. AQIS responds as follows:

The Australian Council of Trade Unions (ACTU), the national peak body representing Australian workers, has formally endorsed the introduction of Quality Assurance systems into the Australian meat industry, along with systems to further enhance the safety of Australian meat. It further endorses the technical and structural reform processes currently under way in Australia.

The Community and Public Sector Union (CPSU) representing meat inspectors was originally invited to participate in a Steering Committee overseeing the MSEP, but withdrew because of the potential impact upon government meat inspector numbers.

FSIS notes that the MSEP proposal does not contain a claim that CPSU or its union inspectors are MSEP supporters. Under the section titled Australia's "Commitment to Food Safety," AQIS states in paragraphs 2 and 3:

To further enhance this commitment the Prime Minister of Australia established a comprehensive Food Regulation Review in 1997. This review is examining ways to enhance the effectiveness and efficiency of food regulatory arrangements. Further to this review, the Australian Food Council has established a National Safe Food System in association with the Australia New Zealand Food Authority (ANZFA) to develop a coordinated, practical and effective food hygiene system centred on the Food Hygiene Standard and complementary AQIS regulations.

The union movement in Australia is firmly behind these initiatives. The Australian food industry has formalised an agreement with the Australian Council of Trade Unions (ACTU)—the Australian peak union body, on ways to introduce HACCP to Australian food enterprises.

The statement about union support in paragraph 3 relates to Australian government initiatives enumerated in paragraph 2. In Attachment A to the MSEP proposal, AQIS provides a joint statement between the Australian Food Council and the Australian Council of Trade Unions pledging support for food safety reforms. MSEP is not a component of those reforms.

7. Some concern was expressed about the role of the AQIS inspector who will be doing 100% carcass-by-carcass verification inspection at a point in the slaughter line between carcass trimming and final rinse. One concern was how this inspector could perform that function as well as oversee company employees, especially in multi-line plants. AQIS responds as follows:

Government MSEP verification inspection in multi-line plants under MSEP will involve

carcase by carcase inspection by a government meat inspector; one AQIS inspector per slaughter line. Australia does not have any single species, multi-line plants but has 27 plants listed for the US which process different species. For example, a slaughter plant operating under MSEP and processing cattle and sheep for the US market would have one inspector stationed at the end of the beef slaughter line and another inspector stationed at the end of the lamb/mutton slaughter line, each inspector carrying out verification inspection of every carcase.

FSIS notes that the amended AQIS proposal indicates that the verification inspector will operate at a fixed point on the slaughter line, while the AQIS veterinarian will conduct oversight of company employees.

8. An additional comment was submitted by the Government Accountability Project (GAP) on March 31, 1999. This comment listed ten allegations GAP has received from what it termed "Australian whistleblowers." Although this letter was received after the comment period closed, FSIS considered it in the spirit of transparency that underlies each equivalence decision that the Agency makes. The allegations are summarized as follows:

(1) Lots sampled were not representative of the day's production.

(2) Sample sizes were not consistent.

(3) Corrective action on failures discovered in the morning sample was delayed until collection of afternoon data and averaging of both results, which meant that violations discovered at the beginning of production continued unabated.

(4) Sample collection times were not consistent, and were manipulated to avoid exposure of defects. In particular, the timing was tailored as a handicap for afternoon "improvements" that would neutralize particular morning failures prior to averaging the day's final results.

(5) AQIS was not expanding the scope of sampling after discovery of excessive violations, because industry promises to conduct carcass specific corrective action changed results from "fail" to "pass."

(6) Due to a shortage of government personnel, controls through "Check the Checker" AQIS sampling did not begin until mid day to verify the accuracy of industry data. This essentially left the industry on an honor system for morning results.

(7) For data which AQIS personnel could check in a timely manner, government inspectors and vets found over twice as many defects as reflected in industry records.

(8) Data underlying the MHA report was not statistically significant, because collection was not genuinely random and there were only two collections daily—inadequate due to inconsistencies in number of samples per lot and number of lots per day that were monitored.

(9) MSEP will mean the functional elimination of government process monitoring.

(10) The commitment to a final fecal inspection outpost is only an interim measure that AQIS already has announced may be withdrawn if approved by "overseas authorities."

FSIS interprets allegations one through eight as pertaining to AQIS baseline data collections that were conducted in the one Australian establishment presently participating in MSEP field trials. Mr. Brian Macdonald, Director, Meat Inspection Division, responded for AQIS to these eight allegations as follows:

From the construction of Questions 1–8 it would appear that the GAP's information relates to the implementation of the Meat Hygiene Assessment (MHA) program at the Rockdale Plant in a general sense. This has led to a questioning of the validity of the six-month data set presented at the public meeting on February 3.

While some of the wording suggests the information received relates to activity on a specific day the following comments assume their concerns relate to on-going performances.

Question 1. The MHA system requires lots to be determined by the carcase identification system, that is, a lot is a group of animals with the same tailtag (a property of origin alphanumeric identifier tag). A lot may represent the entire production for a shift, or any part thereof. It is recommended that wherever possible the selection of samples be randomised. The Veterinary Officers in Charge (VOIC) at the plant have indicated that the correct procedure is followed at Rockdale. The official AQIS policy for MHA operation across the export meat inspection program is random selection of carcasses where possible.

Question 2. MHA sampling rates are appropriate and have been determined from the statistically validated Australian Standards 1199–1988, Sampling Procedures and Tables for Inspection by Attributes. The sampling rate is based on the number of animals in a lot and it has been confirmed with the AQIS VOICs that the sampling rate is consistent with the MHA document.

Question 3. Under MHA the sampling frequency and corrective action are clearly stated. Rockdale sources the majority of animals from an adjacent feedlot. For MHA purposes an entire day's production may be treated as a single lot. Thus animals slaughtered early in the day and late in the day may form a single lot for monitoring purposes. There is therefore, nothing of a sinister nature in the information that may have been passed to GAP.

This is not to say that appropriate corrective action was not taken immediately upon finding there had been a violation. Defects on product are required to be removed at the time they are identified by trimming. Also, assessment of procedures may require a delay in implementation of a definitive corrective action to assess if the issue is related to human error or procedural error. AQIS staff on the establishment concerned have been and will continue to exercise their regulatory responsibilities in this regard.

Question 4. As you can appreciate it is very difficult to respond to this allegation without further supporting evidence. Sampling times are supposed to vary as it is desirable that they do so to remove predictability from the system—employees would quickly learn when they are being monitored or are scheduled to be monitored, which would negate the value of the monitoring.

Monitoring is primarily a company responsibility and is thus one of a number of tasks that company employees carry out during their day. It is recommended in the MHA that "the selection of samples be as random as possible" therefore if sample selection times were consistent AQIS would be concerned that manipulation was at risk of taking place. In addition, independent monitoring is carried out by AQIS and any significant deviation in results between company and AQIS monitoring is followed up by AQIS as the regulatory authority. The AQIS VOICs have indicated there is no evidence of manipulation.

The point of afternoon improvements used to neutralise morning failures is also opposite to all practical findings on the issue of production line manufacturing efficiencies. Most process workers will perform well in the morning when they are fresh and will deteriorate over time due to mental and physical fatigue. There are many studies that substantiate that defects are more likely to occur toward the end of a shift than in the beginning of the shift, unless the operators are dealing with new procedures.

Question 5. Under the MHA there is a defined protocol for the changing of sampling intensity depending on the number of consecutive unacceptable or marginal defects identified by the company at monitoring, and AQIS on-plant staff have the responsibility to ensure the company complies with the MHA sampling parameters.

The VOICs have confirmed that where consecutive unacceptable or marginal defects are identified the intensity of monitoring as required in the MHA documentation is being implemented.

However, where a company has an MSQA in place and is monitoring a CCP on the processing floor, a violation of the CCP will not be subject to the MHA requirements. Such a violation will be subject to the specific corrective actions identified in the HACCP plan, and must be immediate since a CCP relates specifically to food safety issues. AQIS on-plant staff again are responsible for ensuring the company complies with its HACCP plan.

Question 6. The MHA system requires AQIS to perform check the checker monitoring on a twice weekly basis. It is not correct to conclude that at all other times industry is left to its own devices. Full-time AQIS inspection presence is provided at every US-listed abattoir, otherwise the establishment simply does not operate for the day.

Randomised AQIS monitoring may well mean that a check was not conducted in the morning. The aim of the AQIS process is to ensure that the company is not likely to know when check the checker process will occur during a shift or during the week. However there is an equal likelihood that any

part of a production shift will be subjected to an AQIS verification check consistent with well established quality management principles.

Question 7. It is possible that government officials may have found twice the number of defects as recorded by industry. Such isolated instances might occur, for example where the company was training new personnel. The important point to recognise is that such differences are not systemically or persistently tolerated. Where differences are found in MHA recording results, AQIS requires the company to institute an appropriate corrective plan to bring the monitoring into conformity with standards. This is the purpose of having the AQIS verification checks.

The AQIS VOICs have confirmed that where their monitoring finds differential recording of defects action is being taken by bringing the matter to the attention of management and implementing a documented corrective action plan.

AQIS plant records and other reviews and checks indicate that not only is the MHA system working satisfactorily at Rockdale but that the cleanliness and health of the product is consistently of a very high order.

Question 8. These comments have been addressed already and are summarised as follows:

- Samples are required to be selected at random wherever possible
- A lot is determined by animals carrying the same tailtag
- Sampling rates will be determined by the size of the lot and are based on the Australian Standard 1199-1988
- Lots monitored may represent the entire production of the shift or part thereof.

Specifically for the Rockdale plant, FSIS's experience of imported product does not bear out the allegations made in GAP's letter alleging "exposure to food poisoning threats." The U.S. rejection data for the establishment from which the empirical data was presented at the public meeting confirms the programs AQIS has implemented are working and sustained. In the last 12 months Rockdale Beef has presented more than 1.5 million pounds of product to US port-of-entry inspection with no rejections for contamination or pathology.

The response outlined above is specific to the Rockdale plant. If GAP has specific allegations relating to the inappropriate operation of MHA at other Australian plants, AQIS would welcome receiving that advice so that the necessary action can be taken.

Allegations nine and ten presented by GAP concern AQIS' intentions for government oversight of establishments that participate in the MSEP pilot program. AQIS responded as follows:

Question 9. GAP has cited a meeting summary prepared by the meat inspectors union of discussions to explain progress with the MSEP proposal. The context of these discussions was negotiations for a new labour agreement involving an increase in meat inspector remuneration. The discussion on MSEP was an adjunct to this main purpose. Nevertheless it is not an unreasonable reflection of what was

conveyed to the union. But, it in no way contradicts my statements and undertakings given at the public hearing on 3 February.

Australia has sought an equivalency decision from the United States on the basis of retaining an inspector at the end of the slaughter line who will undertake carcass by carcass inspection of all product. This was made clear at the public hearing and remains the proposal for which Australia is seeking equivalence. No other arrangement is contemplated for US listed plants.

GAP suggests that this is breaking a prior commitment for a government slaughter floor inspector to monitor process controls and respond to breaking problems. This was not part of the proposal presented at the public hearing on 3 February. In my [Mr. Macdonald's] presentation I indicated AQIS's slaughter floor presence would be in two parts. First, the AQIS VOIC would undertake oversight and verification activities at a range of designated points in the production process. In the material presented, these points were identified and the verification frequencies quantified. Secondly, an AQIS meat inspector would undertake carcass by carcass inspection of all production after the final trim and before the final wash. Qualified company employees would perform sorting activities within the confines of this arrangement. This was all made very clear in my presentation and will be implemented precisely at trial plants.

Question 10. The reference in the AQIS/union meeting record to the removal of the final AQIS inspection point needs to be put in context. At that point in the meeting, the discussions were comparing AQIS's presence in MSEP trials at non-US listed plants and US listed plants. AQIS was asked if at some time in the future MSEP could be modified to reflect the current arrangements in non-US listed plants where there is no final carcass by carcass AQIS inspection. This outcome was recognised as a possibility. You might note that AQIS officials modified the union prepared draft to clearly indicate that this was not something which Australia would do unilaterally and would be subject to further approval from US authorities.

However, the comment is irrelevant. The commitment to carcass by carcass inspection is a fundamental feature of Australia's request for an equivalency determination from the United States. It will remain part of the Australian system for US listed plants.

FSIS notes that AQIS clearly presented the details of their MSEP proposal in the February 3 public meeting and has in no way modified them since that meeting. AQIS responded to the other issues raised in the GAP letter, as follows:

The GAP also raised two other issues. The first concerned reduction in the number of inspection staff in the Australian meat inspection program. It was suggested that this was being driven by the Australian Government's policy of full cost recovery for meat inspection services.

Inspectors have only been removed where there has been no impact on mandatory import country requirements and on food safety, which remains the fundamental

imperative of the Australian meat inspection program. Due to historical reasons the AQIS meat inspection program was grossly over staffed, work practices delivered extremely poor productivity and there was institutionalised manipulation of working arrangements to maximise payments such as travel allowance, overtime and penalty payments. It is these elements that have been eliminated. All elements related to public health requirements have been continued and, indeed, reinforced where necessary. It is interesting to note that the reduction in inspector numbers has coincided with an improvement in the Australian performance at US port of entry testing. You may recall that I provided this data in my presentation at the public hearing on 3 February.

AQIS does not regard the additional costs imposed on industry by MSEP as a negative factor. MSEP requires a significant commitment by industry to quality systems and good manufacturing practice. Australian industry knows that such commitments are necessary to maintain markets in a world concerned with food safety and quality products. They are prepared to pay the price.

The extra costs are not a reason why only one plant is ready to proceed on the trial at this point in time. As I explained at the public hearing, one plant, which is not US listed, did not continue with the development of the necessary systems due to the untimely death of a young woman who was implementing MSEP at that plant. The establishment was a small family business and the young woman was an intimate family relative. Her death had far reaching implications for that company in the circumstances.

Two other plants could join the trial immediately but are also listed for the European Union where Australia has yet to achieve an equivalency determination for MSEP. Both plants remain highly committed to all of the quality systems developed for MSEP which are in place and operating except for company sorting.

The final plant delayed implementation of MSEP in the light of the delays occurring in securing an equivalency decision from the United States. Company management has informed me they will now join the trial when an equivalency decision is announced.

Finally, GAP raised the findings of a review by the European Commission of Australian export meat plants in March 1998. Australia does not accept many of the findings of the European Commission review, which did not look at food safety issues.

Rather it examined Australia's conformance with European Union legislation and where this did not occur in detail drew conclusions about confidence in the Australian system. In our view there is a very large gap between the strict letter of European Union law and food safety outcomes. The former does not guarantee the latter.

At the public hearing on 3 February I invited US consumers to calibrate the judgements of the European Commission reviewer against the food safety outcomes being secured by Australia at US port-of-entry testing. I would ask you to continue to do so in any further consideration of the Australian request for equivalency.

In conclusion, there has been no manipulation of the data presented at the public hearing in Washington on 3 February. Implementation of the trial will proceed precisely as explained at that public hearing should the United States grant equivalence to our proposal.

In subsequent communications, AQIS further clarified MHA random sampling as the "recommended" procedure but acknowledged that "random" often means "unpredictable" rather than statistically random. It emphasized that MHA sampling is conducted by quality control personnel, and that production personnel have no prior knowledge or influence over when or how sampling occurs.

AQIS also clarified two additional issues. One is the U.S. reinspection record of the Rockdale establishment. It stated that during the period from April 1998 to March 1999, Rockdale exported 91 lots to the United States. Eighteen of these lots were identified for further reinspection while seventy-three were checked only for container integrity and labeling. As noted earlier in this notice, AQIS reports that Rockdale had no product rejected for contamination or pathology for the last 12 months.

The second additional issue concerns Australian exports to the European Union. AQIS reported that no interruptions of trade have occurred as a result of its disagreement with the EU over the March 1998 audit results. For example, AQIS reported that from January 1999 through April 1999, Australian establishments have shipped to EU countries 4,220 tonnes of beef, 7,608 tonnes of sheep and lamb, 1,177 tonnes of horse meat, and 51 tonnes of goat meat.

FSIS notes that AQIS has consistently provided immediate, comprehensive and credible responses to all questions that FSIS has raised about MSEP and to issues raised in public comments.

Finding of Equivalence

The World Trade Organization (WTO) Agreement on Sanitary and Phytosanitary measures (commonly referred to as the "SPS Agreement") obliges the United States to respond to requests by other contracting parties to establish the equivalence of specified meat and poultry processing measures with those of the United States.

The Australian Government formally requested that the United States make an equivalence determination regarding its Meat Safety Enhancement Program to pilot-test a revised slaughter inspection system. FSIS has reviewed the MSEP with particular emphasis on two criteria:

(1) Does the MSEP meet all USDA requirements for the import of meat and meat products to the United States?

(2) Does the MSEP afford American consumers the same level of public health protection provided by USDA domestic slaughter inspection?

In summary, FSIS finds that the MSEP meets these criteria because MSEP will provide direct Federal oversight of Australian export establishment slaughter operations and verification that all U.S. safety and wholesomeness requirements have been met. FSIS further finds that AQIS has satisfactorily addressed the comments and concerns raised in the February 3, 1999 public meeting, the written comments presented in response to the **Federal Register** notice of January 15, 1999, and all subsequent comments.

Consequently, FSIS has determined that the AQIS MSEP program (1) meets all USDA requirements for import of meat and meat products to the United States, (2) will afford American consumers the same level of public health protection provided by USDA domestic slaughter inspection, and (3) is therefore equivalent. Accordingly, AQIS-certified establishments that participate in the MSEP field trials may ship meat and meat products to the United States.

AQIS has advised FSIS that it will soon begin MSEP implementation testing in one beef slaughter establishment and will initiate baseline data collections in others as they qualify. AQIS has pledged to share its baseline data with FSIS before the second and any subsequent establishment begins implementation testing. FSIS will provide periodic MSEP progress summaries through the *Constituent Alert*.

FSIS will review this equivalence determination when AQIS completes its MSEP field trials and prepares a report for FSIS review. FSIS will announce the results of that review in the **Federal Register**. FSIS will monitor MSEP field trials in the interim through discussions with AQIS personnel, review of establishment baseline and implementation data, periodic on-site audits, and continuous port of entry reinspection of products shipped to the United States. A copy of the FSIS monitoring plan may be obtained from Mr. Mark Manis at the address shown in **FOR FURTHER INFORMATION CONTACT** at the beginning of this notice.

Done at Washington, DC, on June 1, 1999.

Thomas Billy,
Administrator.

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DEPARTMENT OF AGRICULTURE

Forest Service

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

Little Boulder Harvest and Fire Restoration Project; Butte and Jefferson Ranger Districts; Little Boulder Harvest and Fire Restoration Project; Butte Field Office; Jefferson County, MT

AGENCY: Forest Service, USDA and Bureau of Land Management, USDI.

ACTION: Notice; intent to prepare an environmental impact statement.

SUMMARY: The Forest Service and Bureau of Land Management (BLM) will prepare an environmental impact statement (EIS) to disclose the environmental impacts of a proposed action to manipulate forest and range vegetation on about 12,950 acres. The manipulation includes timber harvest and prescribed burning. The Forest Service will be lead agency for this EIS (40 CFR 1501.5). The purpose is to restore and maintain aspen, open Douglas-fir forests, and shrub/grass cover. The proposed action includes approximately 58 acres of regeneration harvest, 4,815 acres of commercial tree thinning (some followed by burning and some not), 7,303 acres of prescribed burning without timber harvest, and 775 acres of conifer removal around aspen clones.

DATES: Initial comments concerning the scope of the analysis should be received in writing no later than July 9, 1999.

ADDRESSES: Send written comments to Mike Paterni, Acting Forest Supervisor, Beaverhead-Deerlodge National Forest, 1820 Meadowlark, Butte, MT 59701.

FOR FURTHER INFORMATION CONTACT: Lee Harry, Environmental Analysis Team Leader, Butte Ranger District, 1820 Meadowlark, Butte, MT 59701, or phone: (406) 494-2147.

SUPPLEMENTARY INFORMATION: The Forest Service and BLM goals are to restore aspen, open-grown Douglas-fir forests, and shrub/grass vegetation. Prescribed burning would be applied on a total of 10,173 acres, both as a single treatment (7,303 acres), and following timber harvest (2,870 acres). Of the total of 4,870 acres of harvest, 2,000 acres of harvest would not be followed by underburning. Commercial thinning in lodgepole, Douglas-fir and around aspen clones would be the primary harvest technique. A small part of the harvest would be for regeneration of lodgepole pine, and one proposed unit of