

available for evaluation. Because of the uncharacteristic fruit in the 1998–1999 season and the short crop in the 1999–2000 season the Committee wanted to suspend the minimum net weight requirement for another year of evaluation. Therefore, at its February 24, 2000, meeting, the Committee, once again, unanimously recommended continuing the suspension of § 920.302(a)(4)(iii) for another season, the 2000–2001 season. This suspension will be in effect until July 31, 2001, and is expected to reduce handler packing costs, increase grower returns, and enable handlers to compete more effectively in the marketplace.

These changes address the marketing and shipping needs of the kiwifruit industry and are in the interest of handlers, growers, buyers, and consumers. The impact of these changes is expected to be beneficial to all handlers and growers regardless of size.

The Committee discussed alternatives to this change, including indefinitely suspending these requirements. While the industry continues to believe that the suspensions have helped handlers reduce packing costs and compete more effectively in the marketplace, it is not yet ready to recommend permanent suspension for the 2000–2001 and future seasons. Both the 1998–1999 and 1999–2000 seasons were abnormal in some respects, and the Committee wanted to study the results of the suspensions during a normal season. Thus, the Committee unanimously agreed to suspend these requirements for the 2000–2001 season.

This rule relaxes inspection and pack requirements under the kiwifruit marketing order. Accordingly, this action will not impose any additional reporting or recordkeeping requirements on either small or large kiwifruit handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies.

As noted in the initial regulatory flexibility analysis, the Department has not identified any relevant Federal rules that duplicate, overlap, or conflict with this final rule.

In addition, the Committee's meetings were widely publicized throughout the kiwifruit industry and all interested persons were invited to attend the meetings and participate in Committee deliberations. Like all Committee meetings, the February 24, 2000, meeting was a public meeting and all entities, both large and small, were able to express their views on this issue.

A proposed rule concerning this action was published in the **Federal Register** on April 24, 2000 (65 FR 21668). Copies of the rule were mailed or sent via facsimile to all Committee members and kiwifruit handlers. Finally, the rule was made available through the Internet by the Office of the Federal Register. A 30-day comment period ending May 24, 2000, was provided to allow interested persons to respond to the proposal. No comments were received.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <http://www.ams.usda.gov/fv/moab.html>. Any questions about the compliance guide should be sent to Jay Guerber at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

After consideration of all relevant matter presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

List of Subjects in 7 CFR Part 920

Kiwifruit, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 920 is amended as follows:

PART 920—KIWIFRUIT GROWN IN CALIFORNIA

1. The authority citation for 7 CFR part 920 continues to read as follows:

Authority: 7 U.S.C. 601–674.

§ 920.155 [Suspended]

2. In part 920, § 920.155 is suspended in its entirety effective August 1, 2000, through July 31, 2001.

§ 920.302 [Suspended in part]

3. In § 920.302, paragraph (a)(4)(iii) is suspended effective August 1, 2000, through July 31, 2001.

Dated: June 8, 2000.

James R. Frazier,

Acting Deputy Administrator, Fruit and Vegetable Programs.

[FR Doc. 00–15015 Filed 6–13–00; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 94

[Docket No. 98–095–3]

Pork and Pork Products from Mexico Transiting the United States

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are amending the regulations for the importation of animal products to allow fresh (chilled or frozen) pork and pork products from the Mexican States of Baja California Sur, Campeche, Coahuila, Nuevo Leon, Quintana Roo, and Sinaloa to transit the United States, under certain conditions, for export to another country. We are taking this action because there has been no outbreak of hog cholera in any of these States since 1993, and we are confident that fresh (chilled or frozen) pork and pork products from each of the above States could transit the United States under seal with a negligible risk of introducing hog cholera.

EFFECTIVE DATE: July 14, 2000.

FOR FURTHER INFORMATION CONTACT: Dr. Michael David, Senior Staff Veterinarian, Animals Program, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 39, Riverdale, MD 20737; (301) 734–8364.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR part 94 (referred to below as the regulations) prohibit or restrict the importation of certain animals and animal products into the United States to prevent the introduction of certain animal diseases. Section 94.9 of the regulations prohibits the importation of pork and pork products into the United States from countries where hog cholera exists, unless the pork or pork products have been treated in one of several ways, all of which involve heating or curing and drying.

Because hog cholera exists in certain areas in Mexico, pork and pork products from most Mexican States must meet the requirements of § 94.9 to be imported into the United States. Section 94.20 provides an exception, allowing the importation of fresh (chilled or frozen) pork and pork products from the Mexican States of Sonora and Yucatan.

Under § 94.15, pork and pork products that are from certain Mexican States and that are not eligible for entry

into the United States in accordance with the regulations in § 94.9 or § 94.20 may transit the United States for immediate export if certain conditions are met. These provisions were added to the regulations in 1992, following a United States Department of Agriculture investigation of the hog cholera situation in Sonora, Mexico, and a determination that pork and pork products from Sonora could transit the United States, under certain conditions, with minimal risk of introducing hog cholera. Final rules published in the **Federal Register** in 1995, 1996, and 1997 extended the provisions to Chihuahua, Yucatan, and Baja California, respectively.

On July 19, 1999, we published in the **Federal Register** (64 FR 38599–38603, Docket No. 98–095–1) a proposed rule to allow fresh (chilled or frozen) pork and pork products from the Mexican States of Baja California Sur, Campeche, Coahuila, Nuevo Leon, Quintana Roo, Sinaloa, and Tamaulipas to transit the United States, under these same conditions, for export to another country. We then published another document in the **Federal Register** on September 15, 1999 (64 FR 50014–50015, Docket No. 98–095–2), that amended our proposal to clarify that the transit of pork be allowed via land border ports only. We extended the comment period on our original proposal to allow the public enough time to comment on the amendment as it related to the proposed rule. We received three comments on the proposed rule, all of which generally supported the rule. One of the commenters requested a change in the list of States, and one raised another issue. Their concerns are addressed below.

Comment: The Animal and Plant Health Inspection Service (APHIS) should remove the Mexican State of Tamaulipas from the list of States eligible to transit pork through the United States due to an outbreak of hog cholera in Tamaulipas in August of 1999.

Response: Mexico confirmed that an outbreak of hog cholera occurred in Tamaulipas in August of 1999 and has taken efforts to control and eradicate it in that State. Because of the outbreak, we are not including Tamaulipas in this final rule.

Comment: APHIS should describe how it plans to monitor for compliance with the pork transit regulations.

Response: We intend to monitor compliance with the transit restrictions for shipments of pork from Baja California Sur, Campeche, Coahuila, Nuevo Leon, Quintana Roo, and Sinaloa

in the same manner we have monitored transiting shipments of pork from Baja California, Chihuahua, Sonora, and Yucatan in the past. When pork transiting the United States for export to another country arrives at the U.S.-Mexico border, APHIS inspectors check to make sure that the seal number on the container holding the pork and the seal number on the health certificate accompanying the shipment of pork match. If the original seal on the container has been broken, a second seal must be in place, and the reason(s) for breaking the original seal must be explained in detail on the certificate accompanying the pork. If the original seal is broken and a second seal and/or proper documentation do not accompany the pork, the container is refused entry into the United States. APHIS also conducts spot checks at the port of export in the United States to ensure that the seals remain intact during their movement through the United States.

Comment: APHIS should develop a procedure to allow additions to the list of Mexican States without having to go through rulemaking each time. This would speed up the response time to requests by Mexico to relieve restrictions.

Response: We make every effort to respond promptly to requests made by foreign governments to relieve restrictions; however, APHIS must do so in accordance with applicable laws and executive orders, including the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) and Executive Order 12866, among others.

Changes to the Proposed Rule

We stated in the preamble to our proposed rule that pork from Mexico that is eligible to transit the United States under § 94.15 must be processed and packaged in Tipo Inspeccion Federal (TIF) plants approved by the Mexican Government. TIF plants are subject to strict Federal supervision to ensure that international health standards are maintained. Our proposed rule did not include this requirement as a condition of transit. However, we believe it is important and are, therefore, adding it to § 94.15(b)(2) in this final rule.

Also, § 94.15 has required that the pork be moved in transit in leakproof containers sealed with serially numbered seals approved by APHIS. We are changing that requirement in this final rule to reflect that such containers must be sealed with serially numbered seals of the Government of Mexico. We are making this change because APHIS does not formally “approve” the seals

used by Mexico. APHIS simply recognizes that the Mexican seals are acceptable for the purposes of this rule.

Therefore, for the reasons given in the proposed rule and in this document, we are adopting the proposed rule as a final rule, with the changes discussed in this document.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

In accordance with 5 U.S.C. 604, we have performed a final regulatory flexibility analysis, which is set out below, regarding the economic effects of this rule on small entities.

This rule will allow fresh (chilled or frozen) pork and pork products from the Mexican States of Baja California Sur, Campeche, Coahuila, Nuevo Leon, Quintana Roo, and Sinaloa to transit the United States, under certain conditions, for export to another country. There appears to be little risk of hog cholera exposure from shipments of pork and pork products from these States transiting the United States. Assuming that proper risk management techniques continue to be applied in Mexico, and that accident and exposure risk are minimized by proper handling during transport, the risk of exposure to hog cholera from pork in transit from Mexico through the United States will be negligible.

This rule will have no direct effect on U.S. producers and consumers of pork because Mexican pork will only transit the United States and will not enter U.S. marketing channels. Neither the quantity or price of pork traded in U.S. domestic markets, nor U.S. consumer or producer surplus will be affected by this rule. Therefore, this rule will have no economic effects on small entities, except as discussed below.

Effects on Small Transport Firms

This rule could directly affect U.S. trucking companies in the border states of Texas and California. These companies may benefit from transporting an estimated 5,000 to 6,000 metric tons annually of Mexican pork and pork products from U.S. land border ports to U.S. maritime ports. Additional annual revenues generated by this rule would range from \$2,000 to \$3,000 for California transport firms (based on an additional 5 to 7 trips annually), and from \$10,000 to \$57,000 for Texas transport firms (based on an additional 15 to 18 trips annually). The

majority (98 percent) of trucking firms in Texas and California meet the Small Business Administration's definition of a small firm (less than \$18.5 million in receipts annually). However, based on the limited number of trips and negligible amount of revenue generated by these trips, it is safe to conclude that this rule will not have a significant economic impact on a substantial number of small trucking firms.

Effects on U.S. Pork Exporters

The extent to which this rule will affect U.S. pork exporters is unclear, but, based on historical data on Mexican pork exports, it appears that the overall effect of the rule will be to increase the quantity of Mexican pork destined for the Japanese frozen pork market. According to Japanese import statistics, Japan imported 382,000 metric tons of frozen swine cuts valued at roughly \$1.9 billion in 1997. Denmark, Taiwan, and the United States were the top three suppliers, but Mexico and Canada, who are relative newcomers to the Japanese frozen pork market, have gained market share in recent years. As discussed above, we estimate that an additional 5,000 to 6,000 metric tons of frozen pork from Mexico would transit the United States for Japan annually after the effective date of this rule. This is roughly 1.4 percent of the total quantity imported by Japan in 1997.

During the period 1996 through 1997, Mexican frozen pork exports to Japan increased from 12,953 metric tons (valued at \$76 million) to 24,408 metric tons (valued at \$122 million). During the same period, U.S. frozen pork exports to Japan decreased from 64,500 metric tons valued at \$360 million to 48,000 metric tons valued at \$244 million. Analysts cite price advantage and the willingness of Mexican packers to tailor pork cuts to Japanese specifications as key reasons for Mexico's increased market share in 1997.

Since this rule simply allows pork from additional Mexican States to transit the United States for immediate export, it is unclear whether this rule will result in increased volumes of Mexican exports to foreign regions (e.g., Japan), although it will likely result in increased volumes of pork transiting the United States. It is possible that the volume of Mexico's total pork exports will remain constant, though the volume of pork in transit through the United States will increase. This scenario will likely have a minimal economic effect on U.S. pork exporters, whether small or large. However, since we are unable to determine whether this rule will result in increased volumes of

Mexican pork exports, we cannot determine the effect of this rule on U.S. pork exporters, whether small or large.

Trade Relations

This rule removes some restrictions on the importation of pork and pork products from Mexico and attempts to encourage a positive trading environment between the United States and Mexico and other regions where hog cholera is considered to exist by stimulating economic activity and providing export opportunities to foreign pork processing industries.

This rule contains information collection requirements that have been approved by the Office of Management and Budget (see "Paperwork Reduction Act," below).

Executive Order 12988

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are inconsistent with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the information collection or recordkeeping requirements included in this rule have been approved by the Office of Management and Budget (OMB) under OMB control number 0579-0145.

List of Subjects in 9 CFR Part 94

Animal diseases, Imports, Livestock, Meat and meat products, Milk, Poultry and poultry products, Reporting and recordkeeping requirements.

Accordingly, we are amending 9 CFR part 94 as follows:

PART 94—RINDERPEST, FOOT-AND-MOUTH DISEASE, FOWL PEST (FOWL PLAGUE), EXOTIC NEWCASTLE DISEASE, AFRICAN SWINE FEVER, HOG CHOLERA, AND BOVINE SPONGIFORM ENCEPHALOPATHY: PROHIBITED AND RESTRICTED IMPORTATIONS

1. The authority citation for part 94 continues to read as follows:

Authority: 7 U.S.C. 147a, 150ee, 161, 162, and 450; 19 U.S.C. 1306; 21 U.S.C. 111, 114a, 134a, 134b, 134c, 134f, 136, and 136a; 31 U.S.C. 9701; 42 U.S.C. 4331 and 4332; 7 CFR 2.22, 2.80, and 371.2(d).

2. In § 94.15, paragraph (b) introductory text and paragraph (b)(2) are revised to read as follows:

§ 94.15 Animal products and materials; movement and handling.

* * * * *

(b) Pork and pork products from Baja California, Baja California Sur, Campeche, Chihuahua, Coahuila, Nuevo Leon, Quintana Roo, Sinaloa, Sonora, and Yucatan, Mexico, that are not eligible for entry into the United States in accordance with this part may transit the United States via land border ports for immediate export if the following conditions are met:

* * * * *

(2) The pork or pork products are packaged at a Tipo Inspeccion Federal plant in Baja California, Baja California Sur, Campeche, Chihuahua, Coahuila, Nuevo Leon, Quintana Roo, Sinaloa, Sonora, or Yucatan, Mexico, in leakproof containers and sealed with serially numbered seals of the Government of Mexico, and the containers remain sealed during the entire time they are in transit across Mexico and the United States.

* * * * *

Done in Washington, DC, this 9th day of June 2000.

Bobby R. Acord,

Acting Administrator, Animal and Plant Health Inspection Service.

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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 94

[Docket No. 98-029-3]

Change in Disease Status of the Republic of South Africa Because of Foot-and-Mouth Disease and Rinderpest; Correction

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule; correction.

SUMMARY: We are correcting an error in the instructions for insertion of the regulatory text of the final rule published in the **Federal Register** on April 17, 2000 (65 FR 20333-20337, Docket No. 98-029-2), and effective on May 2, 2000.

EFFECTIVE DATE: June 14, 2000.

FOR FURTHER INFORMATION CONTACT: Dr. Glen I. Garris, Supervisory Staff Officer, Regionalization Evaluation Services Staff, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 39, Riverdale, MD 20737-1231; (302) 734-4356.