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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 94

[Docket No. APHIS-2014-0032]

RIN 0579-AD92

Importation of Beef From a Region in Argentina

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Proposed rule.

SUMMARY: We are proposing to amend the regulations governing the importation of certain animals, meat, and other animal products to allow, under certain conditions, the importation of fresh (chilled or frozen) beef from a region in Argentina located north of Patagonia South and Patagonia North B, referred to as Northern Argentina. Based on the evidence in a recent risk assessment, we believe that fresh (chilled or frozen) beef can be safely imported from Northern Argentina provided certain conditions are met. This proposal would provide for the importation of beef from Northern Argentina into the United States while continuing to protect the United States against the introduction of foot-and-mouth disease.

DATES: We will consider all comments that we receive on or before [Insert date 60 days after date of publication in the Federal Register].

ADDRESSES: You may submit comments by either of the following methods:

- Federal eRulemaking Portal: Go to

<http://www.regulations.gov/#!docketDetail;D=APHIS-2014-0032>.

- Postal Mail/Commercial Delivery: Send your comment to Docket No. APHIS-2014-0032, Regulatory Analysis and Development, PPD, APHIS, Station 3A-03.8, 4700 River Road Unit 118, Riverdale, MD 20737-1238.

Supporting documents and any comments we receive on this docket may be viewed at <http://www.regulations.gov/#!docketDetail;D=APHIS-2014-0032> or in our reading room, which is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 799-7039 before coming.

FOR FURTHER INFORMATION CONTACT: Dr. Silvia Kreindel, Senior Staff Veterinarian, Regionalization Evaluation Services, National Import Export Services, Veterinary Services, APHIS, 4700 River Road Unit 38, Riverdale, MD 20737-1231; (301) 851-3313.

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 various diseases, including rinderpest, foot-and-mouth disease (FMD), African swine fever, classical swine fever, and swine vesicular disease. These are dangerous and destructive communicable diseases of ruminants and swine. Section 94.1 of the regulations contains criteria for recognition by the Animal and Plant Health Inspection Service (APHIS) of foreign regions as free of rinderpest or free of both rinderpest and FMD. Section 94.11 restricts the importation of ruminants and swine and their meat and certain other products from regions that are declared free of rinderpest and FMD but that nonetheless present a disease risk because

of the regions' proximity to or trading relationships with regions affected by rinderpest or FMD. Regions APHIS has declared free of FMD and/or rinderpest, and regions declared free of FMD and rinderpest that are subject to the restrictions in § 94.11, are listed on the APHIS Web site at http://www.aphis.usda.gov/import_export/animals/animal_disease_status.shtml.

APHIS considers rinderpest or FMD to exist in all regions of the world not listed as free of those diseases on the Web site. On June 26, 1997, we published in the Federal Register a final rule (62 FR 34385-34394, Docket No. 94-106-5) allowing, under certain conditions, the importation of fresh (chilled or frozen) beef from Argentina. These conditions were laid out in § 94.21 of the regulations. However, on March 12, 2001, Argentina reported to the World Organization for Animal Health (OIE) and the United States that they had detected an outbreak of FMD in a herd of 300 young bulls in the Province of Buenos Aires. Argentina's Servicio Nacional de Sanidad y Calidad Agroalimentario (SENASA) subsequently reported the spread of FMD to 15 of the country's 23 Provinces. In an interim rule published in the Federal Register on June 4, 2001 (66 FR 29897-29899, Docket No. 01-032-1), and effective retroactively to February 19, 2001, we removed § 94.21 and removed Argentina from the list in § 94.1 of regions declared to be free of both rinderpest and FMD. APHIS adopted the interim rule without change as a final rule in a document published in the Federal Register on December 11, 2001 (66 FR 63911, Docket No. 01-032-2). Although there has not been a major outbreak of FMD since 2001/2002, we do not consider Northern Argentina to be free of FMD because of Argentina's vaccination program in that region.

With few exceptions, the regulations prohibit the importation of fresh (chilled or frozen) meat of ruminants or swine that originates in or transits a region where FMD is considered to

exist. One such exception is beef and ovine meat¹ from Uruguay, which conducts FMD vaccinations of cattle. The regulations allow the importation of fresh beef and ovine meat from Uruguay into the United States provided that the following additional conditions have been met:

- The meat is beef or ovine meat from animals born, raised, and slaughtered in Uruguay.
- FMD has not been diagnosed in Uruguay within the previous 12 months.
- The meat comes from bovines or sheep that originated from premises where FMD had not been present during the lifetime of any bovines or sheep slaughtered for the export of beef and ovine meat to the United States.
- The meat comes from bovines or sheep that were moved directly from the premises of origin to the slaughtering establishment without any contact with other animals.
- The meat comes from bovines or sheep that received ante-mortem and post-mortem veterinary inspections, paying particular attention to the head and feet, at the slaughtering establishment, with no evidence found of vesicular disease.
- The meat consists only of bovine or ovine parts that are, by standard practice, part of the animal's carcass that is placed in a chiller for maturation after slaughter. The bovine and ovine parts that may not be imported include all parts of the head, feet, hump, hooves, and internal organs.
- All bone and visually identifiable blood clots and lymphoid tissue have been removed from the meat.

¹ The provisions allowing the importation of ovine meat from Uruguay were added in a final rule published in the Federal Register (78 FR 68327-68331) on November 14, 2013, and effective on November 29, 2013.

- The meat has not been in contact with meat from regions other than those listed in the regulations as free of rinderpest and FMD.
- The meat comes from carcasses that were allowed to mature at 40 to 50 °F (4 to 10 °C) for a minimum of 24 hours after slaughter and that reached a pH of below 6.0 in the loin muscle at the end of the maturation period. Measurements for pH must be taken at the middle of both longissimus dorsi muscles. Any carcass in which the pH does not reach less than 6.0 may be allowed to mature an additional 24 hours and be retested, and, if the carcass still has not reached a pH of less than 6.0 after 48 hours, the meat from the carcass may not be exported to the United States.
- An authorized veterinary official of the Government of Uruguay certifies on the foreign meat inspection certificate that the above conditions have been met.
- The establishment in which the bovines and sheep are slaughtered allows periodic on-site evaluation and subsequent inspection of its facilities, records, and operations by an APHIS representative.

In response to a request from the Government of Argentina that we reconsider our decision to prohibit the importation of fresh (chilled or frozen) beef into the United States from Northern Argentina in light of improvements Argentina has made in its FMD detection and eradication procedures, we conducted a risk analysis of that region, which can be viewed on the Internet on the Regulations.gov Web site or in our reading room.² For the risk analysis, we evaluated information provided by SENASA in accordance with § 92.2 regarding the country's FMD status, reviewed published scientific literature, and conducted five site visits to the

² Instructions on accessing Regulations.gov and information on the location and hours of the reading room may be found at the beginning of this document under ADDRESSES. You may also request paper copies of the risk analysis by calling or writing to the person listed under FOR FURTHER INFORMATION CONTACT.

proposed exporting region. We concluded that Argentina has infrastructure and emergency response capabilities adequate to effectively contain, eradicate, and report FMD in the event of an outbreak in a timely manner. We further concluded that Argentina is able to comply with U.S. import restrictions on the specific products from affected areas. Based on the evidence documented in our recent risk assessment, we believe that fresh (chilled or frozen) beef can be safely imported from Northern Argentina, provided certain conditions are met. Accordingly, we are proposing to amend the regulations in § 94.29 to allow the importation of fresh beef from Northern Argentina. Under this proposed rule, fresh beef from Northern Argentina would be subject to the same import conditions imposed on fresh beef and ovine meat from Uruguay.

In this proposed rule, we are also giving notice that we would add Argentina to the list of regions that we recognize as free of rinderpest, which can be viewed at http://www.aphis.usda.gov/wps/portal/aphis/ourfocus/importexport?1dmy&urile=wcm%3apath%3a/aphis_content_library/sa_our_focus/sa_animal_health/sa_import_into_us/sa_entry_requirements/ct_rinderpest. Historically, rinderpest virus has never become established in North America, Central America, the Caribbean Islands, or South America.

Miscellaneous

Our proposed addition of the exporting region of Northern Argentina to the regulations in § 94.29 necessitates a few minor editorial changes to § 94.1, where, currently, reference is made to the importation of fresh beef and ovine meat from Uruguay under § 94.29.

Risk Analysis

Drawing on data submitted by the Government of Argentina and observations from our site visits to the region under consideration, we have conducted a risk analysis of the animal health status of that region relative to FMD. Our risk analysis was conducted according to the

eight factors identified in §92.2, “Application for recognition of the animal health status of a region”: The scope of the evaluation being requested, veterinary control and oversight, disease history and vaccination practices, livestock demographics and traceability, epidemiological separation from potential sources of infection, surveillance, diagnostic laboratory capabilities, and emergency preparedness and response.³

A summary evaluation of each factor is discussed below. Based on our analysis of these factors, we have determined that fresh (chilled or frozen) beef can be safely imported into the United States from Northern Argentina.

Scope of the Evaluation Being Requested

We conducted our risk analysis in response to an official request from Argentina that APHIS allow the importation of fresh (chilled or frozen) beef into the United States from a region in Argentina located north of Patagonia South and Patagonia North B, referred to as Northern Argentina. Given the history of FMD in Argentina and the fact that Argentina vaccinates its cattle population in most Provinces against FMD, APHIS conducted this risk analysis to evaluate the potential for FMD introduction and establishment through importation of beef from Northern Argentina. Data and background information were obtained from Argentine animal health officials. Much of the supporting information for this analysis consists of records obtained from SENASA. In addition, APHIS conducted five site visits to Argentina in 2003, 2005, 2006, 2009, and 2013 to verify and complement the information provided by Argentina.

³ Prior to 2012, § 92.2(b) listed 11 factors. In 2012, APHIS consolidated the 11 factors into 8 in order to simplify the regulations and facilitate the application process. Since the evaluation of the proposed exporting region of Argentina began before the consolidation, however, the risk assessment follows the 11-factor format. The topics addressed by the 11 factors are encapsulated in the 8. Appendix II of the risk assessment describes the similarities between the 8 and 11 factors. Observations and information collected during the site visits were considered in the risk assessment as well.

Veterinary Control and Oversight

At the time of the 2001 outbreak detailed above, epidemiological investigations revealed areas in SENASA's veterinary controls and oversight that were in need of improvement. As a result, SENASA was reorganized. The new structure was intended to increase the efficiency and effectiveness of the existing system. Issues addressed included centralization of command and control of animal health programs, enhancements in the internal monitoring and communications, improved compliance with international standards and certification requirements, and an increased emphasis on border controls.

APHIS reviewed Argentina's FMD control and eradication program during our site visits in 2003, 2005, 2006, 2009, and 2013, and concluded that the program is effective at the local and national levels. We concluded that SENASA could detect disease quickly, limit its spread, and report it promptly.

APHIS considers that SENASA has sufficient legal authority to carry out official control, eradication, and quarantine activities. SENASA has a system of official veterinarians and support staff in place for carrying out field programs and for import controls. Field activities are coordinated through the national animal health office. Review of veterinary infrastructure with SENASA officials confirmed the presence of a system adequate for rapid detection and reporting of FMD and for carrying out surveillance and eradication programs. Field offices appeared to be appropriately staffed for the regions covered. The technical infrastructure is adequate, and advanced technologies are utilized in conducting several animal health programs, including the FMD program. Import controls are sufficient to protect international borders at principal crossing points, and sufficient controls exist to prevent the introduction of international waste into the country. Field personnel appeared to be adequately trained in FMD detection and

control or to have had experience dealing with epidemiological investigations during FMD outbreaks. It is expected that they would suspect FMD if they were to see clinical signs compatible with the disease. With regard to indemnity procedures, we concluded that adequate funds are available to compensate owners for depopulated animals and that indemnity provisions can be extended to all animals potentially exposed to FMD, not only those confirmed as infected. Generally, we were favorably impressed with the census information, coverage of premises in the export region, the recordkeeping for individual premises, the control of vaccination, and the movement controls documented at the local level.

Disease History and Vaccination Practices

Outbreaks of FMD occurred in Northern Argentina in 2000/2001, with isolated instances occurring in 2003 and 2006. In the course of evaluating the potential disease risk posed by importation of fresh (chilled or frozen) beef into the United States from the export region, we did not detect any evidence to suggest that active outbreaks of FMD exist in the proposed exporting region.

Vaccination of cattle is mandatory in the proposed export region (except for the Patagonia North A region and the summer pastures (zona veranadas) of Calingasta Valley in the Province of San Juan). Other susceptible species are vaccinated only in strategic areas (e.g., the borders with Paraguay and Bolivia due to the disease status of those countries) and emergency situations. Local SENASA veterinarians certify, control, and audit the vaccination campaigns. Further, local, regional, and central SENASA services are responsible for setting vaccination schedules, which are determined using a regionalization method in order to account for differing ecological features, production types, and animal movement and flow. Vaccination coverage

was reported to range between 98.9 percent and 100 percent in the proposed export region, with vaccination rates at 100 percent for the 2012 campaign that APHIS reviewed.

The vaccine used is an inactivated, trivalent, oil-based vaccine. All FMD vaccines produced or used in Argentina must be tested for quality and safety by the official SENASA laboratory. Quality control tests of each batch of the vaccine are conducted in the diagnostic laboratory in Buenos Aires and strictly follow international standards as set forth by the OIE. All vials are identified with technical and manufacturer brand labels, a sequential number, and an official stamp stating the series and the expiration date. Trucks used for transportation of the vaccine are equipped with temperature sensors to ensure a cold chain during transportation. A cold chain ensures that the vaccine is kept at the temperature specified by its manufacturer as necessary to maintain its viability and efficacy on a continuous basis throughout the shipping process.

We concluded that Argentina conducts its FMD vaccine production programs appropriately and in accordance with international standards. There is a system of controls to ensure compliance with vaccination calendars through matching vaccination records to movement permits and census data, and through field inspections. There is also a system in place for levying fines for noncompliance.

Livestock Demographics and Traceability

Cattle production is the primary livestock production system in Argentina. The domestic livestock population consists of approximately 57 million head of cattle, 13 million sheep, 2.3 million goats, and 2.3 million pigs. Of these, approximately 98 percent of the cattle population and premises are located within the proposed export area.

We did not identify significant risk pathways that would cause us to consider commercial operations in the proposed export region as a likely source for introducing FMD into the United States. The larger commercial operations are likely to be the source of beef exports from the export region. Based on its review of the information, APHIS considers the beef industry in the export region to be well-organized and committed to the production of quality product and to preventing FMD outbreaks.

Argentina has an efficient and effective traceability system, which includes a compulsory national individual identification system for cattle being exported to different countries, including the European Union (EU). Individual identification is unique and permanent. Since the process by which meat is certified for export to the EU is identical to the process we are proposing here, Argentinean inspectors have experience and training in the types of procedures that would be necessary for export to the United States. The use of this national identification system enhances Argentina's ability to certify the origin of animals entering the export channels.

We note that the auction system in the country is well organized and tightly controlled by the official veterinary service. However, there is no evidence to suggest that major movements of animals into export channels occur through the auction system. Instead, bovines destined for export to the EU are shipped directly from the farm to the exporting slaughter facility.

Adequate controls and inspection measures exist at slaughter facilities in Argentina. Ante-mortem and post-mortem inspections are carried out satisfactorily. APHIS evaluated pH controls, maturation, and deboning procedures at three plants in the proposed export zone that export to the EU and elsewhere. Every carcass destined for the EU is tested to ensure that the pH is not greater than 5.9, which is the EU requirement. If greater, the carcass is diverted to local

consumption. APHIS examined maturation records and verified actual rejected and approved seals. APHIS considers pH testing and calibration of pH meters to be critical mitigation measures in assessing the risk of importing the FMD virus in beef from Northern Argentina.

The biosecurity measures applied at the facilities APHIS visited were adequate, and there is a high level of awareness of and compliance with these measures. In addition, processing for slaughter facilities are under adequate official control and inspection.

We concluded that Argentina has adequate control of inspection activities in slaughter facilities and can certify compliance with our import requirements. A comparable system for control of commercial shipments of fresh and frozen beef under similar conditions to the EU also exists and is considered adequate to control the specific conditions for exporting the commodity under consideration.

Epidemiological Separation From Potential Sources of Infection

Northern Argentina is bordered by the Atlantic Ocean and shares land borders with Bolivia, Brazil, Chile, Paraguay, Uruguay, and the Province of Río Negro, Argentina. The Province of Río Negro, Argentina, is located in “Patagonia North B,” which is an FMD surveillance area situated to the south of Northern Argentina. The most recent outbreak of FMD in Patagonia North B occurred in 1994. APHIS does not consider the countries of South America to be FMD-free, with the exception of Chile. Outbreaks have occurred in Uruguay and Paraguay, both countries that had been classified by the OIE as “free without vaccination” or “free with vaccination” prior to the outbreaks. FMD has not been eradicated from Colombia, Bolivia, Ecuador, Venezuela, or Peru.

There is a history of introduction of disease into Argentina from neighboring countries. According to Argentinean officials, illegal movement of animals from neighboring countries as well as mechanical transmission of the virus resulted in the introduction of the disease into Argentina prior to the 2001 outbreak discussed previously. APHIS concluded that as long as FMD is endemic in the overall region in South America, there is a risk of reintroduction from adjacent areas into the proposed exporting region.

Domestic movement controls within Argentina are stringent. SENASA requires that all cattle owners identify their animals with a unique animal identification number, which is kept with the cattle via ear tags. Sheep are not required to be individually identified; however, in the event the farm is approved for export to the EU, premises identification is required, either by ear tag, which includes the unique identification number of the farm, or ear notch. There is a system of permits in place to control animal movement, which works well at the local level. Movement controls are linked to vaccination records, and vaccination coverage in the export region evaluated by APHIS is high, as noted above.

There is good cooperation between Argentine Federal agencies and their international counterparts at land border crossings. Argentina is separated from most of Chile by the Andes Mountains and operates a joint surveillance program for monitoring animal movements across the border with the Chilean government. The OIE recognizes Chile as FMD-free without vaccination and, as a result, SENASA does not consider the Chilean border a high-risk region. The Brazilian border is also considered by SENASA to be a low-risk region, subject to a joint FMD surveillance program with the Brazilian government.

SENASA has identified the Paraguayan and Bolivian borders as the most vulnerable for the potential introduction of FMD into Argentina. As a result, those areas have received enhanced support from SENASA in the form of increased surveillance and border control activities. Agreements are also in place between SENASA and its counterparts in Paraguay and Bolivia for such coordinated border control activities as vaccinations, surveillance, animal census, education, and animal identification.

Movement controls at international land checkpoints as well as movement control measures and biosecurity at airports and seaports appear to be adequate.

During site visits, APHIS attempts to target the riskiest border crossings (and other areas) as an example of “maximized risk scenario,” in order to address similar, but theoretically lower, risks in the remainder of the export region. APHIS assumes that if the riskiest pathways are sufficiently mitigated, the overall spectrum of risk issues should be acceptable. Using this assumption and visiting the areas of highest risk in the proposed export region, APHIS concluded that movement control measures for live animals are relatively robust at both domestic and international checkpoints.

Surveillance

The animal health service in Argentina has a surveillance system that covers all national territory. All official service field staff, community participants, and private sector veterinarians are trained and required to look for signs of vesicular diseases (e.g., excessive salivation, difficulty walking, etc.). If FMD is suspected, it must be immediately reported to the local unit or to the veterinary authority that would notify the local unit. Cattle are inspected every 6 months by vaccinators and official veterinarians, when the bovines are gathered in corrals for vaccination. Other susceptible species are not vaccinated except for the area located

25 kilometers south of the Argentina/Bolivia and Argentina/Paraguay border, where all susceptible species are vaccinated twice a year. Animals are individually inspected for signs of vesicular disease by personnel from the official service before slaughtering. Other body parts, including the tongue and feet, are examined during post-mortem inspection. All animals coming into fairs, auctions, or exhibitions are clinically inspected by the official veterinarians. The clinical inspection of animals in transit is carried out at checkpoints and border control points by official personnel. The conditions under which animals move are based on the animal health status of the Province of origin or the country sharing borders with the export region.

Argentina has a two-phase surveillance system that effectively uses active and passive surveillance. Phase I relies on active surveillance to document freedom from disease. Active surveillance is carried out by means of targeted sero-epidemiological surveys in specific “high-risk” areas within the zone that SENASA considers FMD-free. The surveys aim to prove that the zone remains free of viral activity. Serological testing is also conducted whenever there is suspicion of the disease. Phase II begins once freedom from infection has been established. The main goals in this phase are to prevent the reintroduction of the disease, maintain good sanitary conditions, and provide technical grounds to demonstrate the continual absence of disease and viral activity in the zone. Passive surveillance is the primary type employed in Phase II, although active surveillance is also used. Passive surveillance activities include observations made during: 1) Animal movement control activities and trade of animal products, 2) farm inspections, 3) slaughterhouse inspection, and 4) inspections during livestock fairs. Data on the above activities are collected annually. Passive surveillance takes advantage of the community structure in Argentina and relies heavily on the participation of the community. SENASA

officials have carefully and methodically thought about each component of their surveillance system, and their two-stage cluster sampling design is appropriate, efficient, scientifically valid, and simple to implement. All technical aspects of that design were addressed properly.

Observations made during recent site visits to Argentina led APHIS to conclude that the Argentine authorities were particularly effective in their FMD educational campaigns and that the country's FMD eradication strategy and surveillance practices have been fully communicated, understood, and embraced by all animal health officials in the country. This was made evident by the high degree of consistency in implementation and execution of the program at every local veterinary unit visited. In addition, the serological surveillance plan, updated in 2013, appears well designed and executed.

Diagnostic Laboratory Capabilities

SENASA has one laboratory, located in Buenos Aires, under its direct supervision that performs diagnostic tests for FMD and other vesicular diseases. Based on laboratory and site visits conducted in 2003, 2005, 2006, 2009, and 2013, we concluded that Argentina has the diagnostic capability to adequately test samples for the presence of the FMD virus. The laboratory in Buenos Aires has adequate quality control activities; adequate laboratory equipment, which is routinely monitored and calibrated; sufficient staff; and an effective and efficient recordkeeping system for storage and retrieval of data. The tests used to investigate evidence of viral activity are consistent with OIE guidelines. The staff members appear to be well-trained and motivated. Samples were turned around in a timely manner.

Emergency Preparedness and Response

Argentina's efficient and effective traceability system is an important component of its emergency response capacity. As noted above, Argentina uses a mandatory national

identification system, which includes individual animal identification numbers, for cattle that are destined for export. In addition, Argentina uses a mandatory identification system to track the entire cattle population in the country by lot. That system proved to be effective during the 2003 and 2006 FMD outbreaks in the traceback of all contacts.

Argentina relies heavily on community notification of FMD outbreaks, as that tends to be the most efficient way to locate disease. Once notification occurs, the Federal contingency plan for FMD is extensive and thorough, and a significant degree of necessary autonomy is built in at the Provincial level.

APHIS concluded that adequate legal authority, funding, personnel, and resources exist at both the Provincial and Federal levels to carry out emergency response measures. The emergency response is both rapid and effective, as shown following the FMD outbreaks in Northern Argentina in 2003 and 2006.

The above findings are detailed in the risk analysis document summarized above. The risk analysis explains the factors that have led us to conclude that fresh (chilled or frozen) beef may be safely imported from Northern Argentina under the conditions enumerated above. It also establishes that Argentina has adequate veterinary infrastructures in place to prevent, control, report, and manage FMD and outbreaks. Therefore, we are proposing to amend § 94.29 to allow the importation of fresh beef from Northern Argentina under the conditions described above.

Executive Orders 12866 and 13563 and Regulatory Flexibility Act

This proposed 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. 603, we have performed an initial regulatory flexibility analysis, which is summarized below, regarding the economic effects of this proposed rule on small entities. Copies of the full analysis are available by contacting the person listed under FOR FURTHER INFORMATION CONTACT or on the Regulations.gov Web site (see ADDRESSES above for instructions for accessing Regulations.gov).

Based on the information we have, there is no reason to conclude that adoption of this proposed rule would result in any significant economic effect on a substantial number of small entities. However, we do not currently have all of the data necessary for a comprehensive analysis of the effects of this proposed rule on small entities. Therefore, we are inviting comments on potential effects. In particular, we are interested in determining the number and kind of small entities that may incur benefits or costs from the implementation of this proposed rule.

Our analysis examines potential economic impacts of a proposed rule that would allow fresh (chilled or frozen) beef from Northern Argentina to be imported into the United States provided certain conditions are met. Economic effects of the rule for both U.S. producers and consumers are expected to be very small. Producers' welfare would be negatively affected, but not significantly. Gains for consumers would outweigh producer losses, resulting in a net benefit to the U.S. economy.

The United States is the largest beef producer in the world and yet still imports a significant quantity. U.S. beef import volumes from 1999 to 2013 averaged 0.9 million metric tons (MT) or roughly 11 percent of U.S. production. Most of the beef imported by the United States is from grass-fed cattle and is processed with trimmings from U.S. grain-fed cattle to

make ground beef. Australia, Canada, and New Zealand are the main foreign suppliers of beef to the United States.

Effects of the proposed rule are estimated using a partial equilibrium model of the U.S. agricultural sector. Economic impacts are estimated based on intra-sectoral linkages among the grain, livestock, and livestock product sectors. Annual imports of fresh (chilled or frozen) beef from Argentina are expected to range between 16,000 and 24,000 MT, with volumes averaging 20,000 MT. Quantity, price and welfare changes are estimated for these three import scenarios. The results are presented as average annual effects for the 5-year period 2014-2018.

The model indicates less than 10 percent of the beef imported from Argentina would displace beef that would otherwise be imported from other countries, in particular, from Australia, Canada, Mexico, New Zealand, and Uruguay. If the United States were to import 20,000 MT of beef from Argentina, total U.S. beef imports would increase by 1.35 percent. Due to the supply increase, the wholesale price of beef, the retail price of beef, and the price of cattle (steers) are estimated to decline by 0.22, 0.08, and 0.24 percent, respectively. U.S. beef production would decline by 0.01 percent while U.S. beef consumption and exports would increase by 0.12 and 0.22 percent, respectively. The 16,000 MT and 24,000 MT scenarios show similar quantity and price effects.

The fall in beef prices and the resulting decline in U.S. beef production would translate into reduced returns to capital and management in the livestock and beef sectors. Under the 20,000 MT import scenario, producers would experience a decline in surplus of \$7.63 million or 0.42 percent, while consumers would benefit from the decrease in price by an increase in their surplus of \$130.24 million or 0.30 percent. The overall impact would be a net welfare gain of \$122.61 million or 0.27 percent for the beef sector.

The 16,000 MT and 24,000 MT scenarios show similar welfare impacts, with net benefits increasing broadly in proportion to the quantity of beef imported. The largest impact would be for the beef sector, but consumers of pork would also benefit negligibly. While most of the establishments that would be affected by this rule are small entities, based on the results of this analysis, APHIS does not expect the impacts to be significant. APHIS welcomes information that the public may provide regarding potential economic effects of the proposed rule.

Executive Order 12988

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. If this proposed rule is adopted: (1) All State and local laws and regulations that are inconsistent with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings will not be required before parties may file suit in court challenging this rule.

National Environmental Policy Act

To provide the public with documentation of APHIS' review and analysis of any potential environmental impacts associated with the importation of fresh (chilled or frozen) beef from Northern Argentina under the conditions described in this proposed rule, we have prepared an environmental assessment. The environmental assessment was prepared in accordance with: (1) The National Environmental Policy Act of 1969 (NEPA), as amended (42 U.S.C. 4321 et seq.), (2) regulations of the Council on Environmental Quality for implementing the procedural provisions of NEPA (40 CFR parts 1500-1508), (3) USDA regulations implementing NEPA (7 CFR part 1b), and (4) APHIS' NEPA Implementing Procedures (7 CFR part 372).

The environmental assessment may be viewed on the Regulations.gov Web site or in our reading room. (A link to Regulations.gov and information on the location and hours of the reading room are provided under the heading ADDRESSES at the beginning of this proposed rule.) In addition, copies may be obtained by calling or writing to the individual listed under FOR FURTHER INFORMATION CONTACT.

Paperwork Reduction Act

In accordance with section 3507(d) of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the information collection or recordkeeping requirements included in this proposed rule have been submitted for approval to the Office of Management and Budget (OMB). Please send written comments to the Office of Information and Regulatory Affairs, OMB, Attention: Desk Officer for APHIS, Washington, DC 20503. Please state that your comments refer to Docket No. APHIS-2014-0032. Please send a copy of your comments to: (1) APHIS, using one of the methods described under ADDRESSES at the beginning of this document, and (2) Clearance Officer, OCIO, USDA, room 404-W, 14th Street and Independence Avenue SW., Washington, DC 20250. A comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication of this proposed rule.

APHIS' animal import regulations in §§ 94.1 and 94.29 will place certain restrictions on the importation of fresh (chilled or frozen) beef from Northern Argentina into the United States. Under these regulations, APHIS must collect information, prepared by an authorized certified official of the Government of Argentina, certifying that specific conditions for importation have been met.

We are soliciting comments from the public (as well as affected agencies) concerning our proposed information collection and recordkeeping requirements. These comments will help us:

(1) Evaluate whether the proposed information collection is necessary for the proper performance of our agency's functions, including whether the information will have practical utility;

(2) Evaluate the accuracy of our estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the information collection on those who are to respond (such as through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology; e.g., permitting electronic submission of responses).

Estimate of burden: Public reporting burden for this collection of information is estimated to average 1.3 hours per response.

Respondents: Federal animal health authorities in Argentina and exporters of beef and beef products from Argentina to the United States.

Estimated annual number of respondents: 88.

Estimated annual number of responses per respondent: 1.

Estimated annual number of responses: 88.

Estimated total annual burden on respondents: 114 hours. (Due to averaging, the total annual burden hours may not equal the product of the annual number of responses multiplied by the reporting burden per response.)

Copies of this information collection can be obtained from Mrs. Celeste Sickles, APHIS' Information Collection Coordinator, at (301) 851-2908.

E-Government Act Compliance

The Animal and Plant Health Inspection Service is committed to compliance with the E-Government Act to promote the use of the Internet and other information technologies, to provide increased opportunities for citizen access to Government information and services, and for other purposes. For information pertinent to E-Government Act compliance related to this proposed rule, please contact Mrs. Celeste Sickles, APHIS' Information Collection Coordinator, at (301) 851-2908.

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 propose to amend 9 CFR part 94 as follows:

PART 94—RINDERPEST, FOOT-AND-MOUTH DISEASE, NEWCASTLE DISEASE, HIGHLY PATHOGENIC AVIAN INFLUENZA, AFRICAN SWINE FEVER, CLASSICAL SWINE FEVER, SWINE VESICULAR DISEASE, 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. 450, 7701-7772, 7781-7786, and 8301-8317; 21 U.S.C. 136 and 136a; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, and 371.4.

§ 94.1 [Amended]

2. Section 94.1 is amended in paragraphs (b)(4) and (d) introductory text by removing the words “from Uruguay”.

3. Section 94.29 is revised to read as follows:

§ 94.29 Restrictions on importation of fresh (chilled or frozen) beef and ovine meat from specified regions.

Notwithstanding any other provisions of this part, fresh (chilled or frozen) beef from a region in Argentina located north of Patagonia South and Patagonia North B, referred to as Northern Argentina, and fresh (chilled or frozen) beef and ovine meat from Uruguay may be exported to the United States under the following conditions:

(a) The meat is beef or ovine meat from animals that have been born, raised, and slaughtered in the exporting region of Argentina or in Uruguay.

(b) Foot-and-mouth disease has not been diagnosed in the exporting region of Argentina or in Uruguay within the previous 12 months.

(c) The meat comes from bovines or sheep that originated from premises where foot-and-mouth disease has not been present during the lifetime of any bovines and sheep slaughtered for the export of beef and ovine meat to the United States.

(d) The meat comes from bovines or sheep that were moved directly from the premises of origin to the slaughtering establishment without any contact with other animals.

(e) The meat comes from bovines or sheep that received ante-mortem and post-mortem veterinary inspections, paying particular attention to the head and feet, at the slaughtering establishment, with no evidence found of vesicular disease.

(f) The meat consists only of bovine parts or ovine parts that are, by standard practice, part of the animal's carcass that is placed in a chiller for maturation after slaughter. The bovine and ovine parts that may not be imported include all parts of the head, feet, hump, hooves, and internal organs.

(g) All bone and visually identifiable blood clots and lymphoid tissue have been removed from the meat.

(h) The meat has not been in contact with meat from regions other than those listed in §94.1(a).

(i) The meat came from bovine carcasses that were allowed to mature at 40 to 50°F (4 to 10°C) for a minimum of 24 hours after slaughter and that reached a pH below 6.0 in the loin muscle at the end of the maturation period. Measurements for pH must be taken at the middle of both longissimus dorsi muscles. Any carcass in which the pH does not reach less than 6.0 may be allowed to mature an additional 24 hours and be retested, and, if the carcass still has not reached a pH of less than 6.0 after 48 hours, the meat from the carcass may not be exported to the United States.

(j) An authorized veterinary official of the government of the exporting region certifies on the foreign meat inspection certificate that the above conditions have been met.

(k) The establishment in which the bovines and sheep are slaughtered allows periodic on-site evaluation and subsequent inspection of its facilities, records, and operations by an APHIS representative.

(Approved by the Office of Management and Budget under control number 0579-0372)

Done in Washington, DC, this 26th day of August 2014.

Michael C. Gregoire,

Acting Administrator, Animal and Plant Health Inspection Service.

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