DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

Installation and Improvement of Grain Cleaning Equipment

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Notice.

SUMMARY: The Commodity Credit Corporation (CCC) is soliciting public comment on the merits of whether the CCC should finance, in some manner, the installation or upgrading of grain cleaning systems at wheat export elevators in the United States. The goal of this initiative, if undertaken, would be to improve the quality and competitiveness of U.S. wheat exports by insuring that foreign buyers may readily purchase U.S. wheat with dockage specifications substantially lower than currently available from export elevators.

DATES: Written comments on this notice must be received on or before December 29, 1999 to be assured of consideration. A public meeting concerning the subject matter of this notice will be held. The place, date, and time of the meeting will be announced in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Please direct written correspondence to: Timothy J. Galvin, Administrator, Foreign Agricultural Service, Room 5071, 1400 Independence Ave. SW, Washington, DC 20250. Telephone, fax or e-mail correspondence may be directed to: Sam Dunlap, Assistant to the Administrator, Foreign Agricultural Service, Phone: (202) 720–1743, Fax: (202) 690–0493, e-mail: dunlaps@fas.usda.gov.

SUPPLEMENTARY INFORMATION: U.S. producers of wheat—particularly growers of Hard Red Winter Wheat—cite on-going complaints from foreign buyers about the cleanliness (and therefore perceived quality) of U.S. wheat, especially in comparison to the wheat available from certain foreign competitors. Although this complaint has been a long-standing theme among some public and private sector buyers, as well as some U.S. producers, the increasing trend toward privatization of grain imports throughout the world during the 1990's may be giving the issue greater importance. The growing ranks of private sector buyers are increasingly more discriminating in making their purchase decisions, compared to their publicly-owned predecessors.

While price competitiveness remains central to purchasing decisions, major wheat export competitors have apparently capitalized on buyers' concerns about U.S. wheat cleanliness in their marketing programs. For example, the wheat offered by key export competitors, notably Australia and Canada, contains average dockage levels of about 0.2%. By comparison, dockage levels for U.S. wheat inspected for export during 1998 averaged from 0.5% to 0.7% depending on class.

A 1992 study by the USDA Economic Research Service concluded that the mandatory cleaning of all U.S. wheat exports could increase wheat exports by 2%, and that voluntary cleaning for selected markets, while not likely to attain the export increase projected by mandatory cleaning, would nevertheless have positive economic results in the form of increased exports. The Economic Research Service concluded that an overall reduction in dockage and foreign material could benefit the U.S. wheat industry only if cleaner U.S. wheat induces sufficient trade benefits to overcome the net domestic cost.

Public and private importers of wheat, especially in Asia, continue to tighten specifications for their imported wheat purchases. For example, the changing purchase specifications of one major buyer in the Pacific Rim, Japan, has already brought about the installation of wheat cleaning systems in the U.S. Pacific Northwest. An apparently growing number of smaller buyers in Latin America and other regions are seeking cleaner wheat but claim not to be able to secure the wheat from U.S. sources. They can, and reportedly have, turned to competitors to fill their needs. Yet some in the U.S. private sector apparently conclude that the costs of installing and operating grain cleaning equipment in many U.S. ports are not justified by the potential returns to private firms.

The CCC is considering providing financial assistance to support the installation or upgrading of grain cleaning equipment at export elevators. Authority for this activity is section 5(b) and (f) of the CCC Charter Act, 15 U.S.C. 714c(b) and (f). These provisions, respectively, authorize CCC to ''[m]ake available materials and facilities required in connection with the production and marketing of agricultural commodities'' and to ''aid in the development of foreign markets'' for agricultural commodities.

The CCC must consider numerous issues before initiating any activity to support the installation or upgrading of wheat cleaning facilities, including the likely scope and cost of such an initiative (with a preliminary cost estimate of approximately $5 million per facility); the extent and form of CCC's financing role; and how to ensure that those existing elevators, primarily in the Pacific Northwest, who have already undertaken such investments are not competitively disadvantaged.

Comments are invited on all aspects of this proposed initiative. However, it would be particularly helpful if comments addressed the following:

(1) The size and scope of such an initiative. For example, should the program be available to essentially all elevators providing wheat for export, or should the program be established on a pilot basis at a small number of facilities?

(2) Impact on those elevators in the United States that have already undertaken the expense of installing grain cleaning equipment. Should financing be limited largely to those regions of the country in which elevators have not yet undertaken such expenditures?

(3) The CCC's financing role. What is the appropriate role of government financing when the private sector declines to invest in grain cleaning equipment on its own? What should be the extent of CCC subsidy, ranging from guaranteeing loans on commercial terms to cost-share grants? If cost-share, should the CCC's contribution be established at a fixed percentage? Alternatively, should an elevator's willingness to finance relatively more of the investment be a competitive factor in awarding CCC financing? What costs should be financed by the CCC?

FAS will announce the place, date, and time of the public meeting regarding this proposal.

Signed at Washington DC on November 23, 1999.

Timothy J. Galvin,

Administrator, Foreign Agricultural Service; Vice President, Commodity Credit Corporation.

[FR Doc. 99–30909 Filed 11–26–99; 8:45 am]

BILLING CODE 3410–10–P

DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

[Docket No. 99–048N]

Canada's Modernized Poultry Inspection Program (MPIP)

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Notice; request for comments.

SUMMARY: The Food Safety and Inspection Service (FSIS) is announcing the availability of a paper prepared by the Canadian Food Inspection Agency (CFIA) that describes its new

Modernized Poultry Inspection Program (MPIP) for chicken, turkey, and fowl slaughter inspection in Canadian establishments that process poultry, including those that export to the United States and to other countries.

DATES: Written comments must be received on or before January 28, 2000.

ADDRESSES: Copies of the MPIP 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 CFIA homepage at *http://www.cfia-acia.agr.ca/english/animal/meat/mmop/*mpip/mpiptoc—e.html. Submit one original and two copies of written comments to the FSIS Docket Clerk, Docket #99–048N, at the address shown above. Facsimile comments may be sent to 202–205–0381. The public can review all received comments in the FSIS Docket Room from 8:30 a.m. to 4:30 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: For further information about the MPIP document, contact Mr. Clark Danford, Acting Director, International Policy Division; Office of Policy, Program Development, and Evaluation; (202) 720–6400; or by electronic mail to *clark.danford@usda.gov.*

SUPPLEMENTARY INFORMATION:

Background

In August 1999, CFIA submitted its proposal for a new slaughter inspection system described as the ''Modernized Poultry Inspection Program.'' Copies are available as described in the **ADDRESSES** section above. MPIP would be used in Canadian establishments that slaughter chicken, turkey, and fowl. CFIA describes MPIP as follows: ''National and international poultry inspection systems are constantly evolving. Canada and its poultry inspection programs are no exceptions. MPIP represents the latest Canadian advance in poultry inspection methodology. The CFIA is now making MPIP methodology available to federally registered poultry slaughter establishments across Canada. MPIP is a HACCP and science-based inspection system. It enhances the safety and wholesomeness of Canadian poultry products, and as a result, contributes to the viability of the Canadian poultry industry. MPIP focuses on the slaughter process within the gate to plate food safety continuum.''

The CFIA has set specific objectives for its MPIP program. These objectives include the following:

''(a) Control of hazards associated with the contamination of live poultry with foodborne pathogens as received at registered establishments, and the subsequent spread of these pathogenic bacteria during the slaughter and processing of poultry;

(b) Promote the proactive control (prevent, eliminate or reduce) of hazards through the implementation of a CFIA-recognized HACCP system in poultry slaughtering establishments;

(c) Facilitate the change from prescriptive regulatory requirements to strictly enforced objective performance standards in poultry inspection;

(d) Facilitate the transition of CFIA staff from hands-on inspection to audit-based verification activities for poultry slaughter establishments operating under a HACCP system;

(e) Facilitate the assumption by industry of the detection and handling of all carcasses with defects (previously performed by CFIA inspectors) under continuous government oversight; and

(f) Respond to changing international trade requirements, e.g., Pathogen Reduction and HACCP Program Rule in the US.''

Determination of Equivalence

As a result of the World Trade Organization (WTO) Agreement on Sanitary and Phytosanitary measures (commonly referred to as the ''SPS Agreement''), contracting parties, including the United States, are committed to harmonizing their human, animal, and plant health import requirements by basing their sanitary and phytosanitary (SPS) import requirements on ''equivalent'' sanitary measures or standards. Among other things, the SPS Agreement obliges the United States to respond to requests by other contracting parties to establish the equivalence of specified poultry and poultry processing measures with those of the United States. The Canadian Government has formally requested that the United States consider its MPIP proposal to pilot-test a revised slaughter inspection system. A determination of equivalence will be necessary before any Canadian MPIP establishment may export its poultry to the United States.

FSIS will evaluate the MPIP documentation using two criteria for equivalence:

(1) Does the MPIP meet all USDA requirements for the import of poultry products to the United States?

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

However, before making any equivalence decisions or taking any action on the MPIP document, FSIS is requesting public comment on the Canadian proposal.

Additional Public Notification

FSIS has considered, under Department Regulation 4300–4, ''Civil Rights Impact Analysis,'' dated September 1993, the potential civil rights impact of this notice on minorities, women, and persons with disabilities. FSIS anticipates that this notice will not have a negative or disproportionate impact on minorities, women, and persons with disabilities. Notices generally are designed to provide information and public awareness of important policy developments. Consequently, in an effort to better ensure that minorities, women, and persons with disabilities are aware of this notice, FSIS will announce the publication of this **Federal Register** notice in the *FSIS Constituent Update.*

FSIS provides a weekly *FSIS Constituent Update,* which is communicated via fax to over 300 organizations and individuals. In addition, the update is available on line through the FSIS web page located at *http://www.fsis.usda.gov.* The update is used to provide information regarding FSIS policies, procedures, regulations, **Federal Register** notices, FSIS public meetings, recalls, and any other types of information that could affect or would be of interest to our constituents. This constituent fax list consists of industry, trade, and farm groups, consumer interest groups, allied health professionals, scientific professionals, and other individuals that have requested to be included. Through these various channels, FSIS is able to provide information to a much broader, more diverse audience than would otherwise be possible. For more information or to be added to the constituent fax list, fax your request to the Agency's Congressional and Public Affairs Office, at (202) 720–5704.

Done at Washington, DC on November 19, 1999.

Thomas J. Billy,

Administrator.

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DEPARTMENT OF AGRICULTURE

Forest Service

Lost Moose Ecosystem Management Project, Bitterroot National Forest, Ravalli County, MT

AGENCY: Forest Service, USDA.