

of benefits estimation, we assume that one-third of imports are boars and two-thirds are gilts. Therefore, the most likely future annual average of imported boars is assumed to be 67, and of gilts is assumed to be 133. Assuming minimal expected benefits from productivity gains, benefits to the United States from importation of EU breeding swine can most readily be quantified in terms of the unit values of the imports. It is assumed that, at a minimum, producers would expect to pay about \$1,000 to import a single EU breeding gilt and possibly \$2,800 to import a single EU breeding boar, including transportation and quarantine costs. There is a great deal of variability in both the prices of individual animals, due to product differentiation, and in the cost of transportation, which may be negotiated with individual contract carriers. Multiplying assumed quantities and unit values yields a most likely import value of \$187,600 for breeding boars and a most likely value of \$133,000 for breeding gilts imported from the EU region affected by this rule.

Potential Imports of Swine Semen

During the period 1997–2001, the source countries and quantities of swine semen varied widely from one year to the next. The single largest exporter to the United States during this period was Australia, which averaged 1,045 doses per year, or 43 percent of the total. Canada supplied an average of about 672 doses per year, or 28 percent of the total. An average of about 680 doses were imported each year from the EU—28 percent of the total. In 2001, 1,736 doses came from Germany, one of the Member States that constitute the region affected by this rule. During the first 9 months of 2002, the only swine semen imports from the EU were 780 doses imported from Denmark.

A wide range of prices for swine semen reflects considerable product differentiation in the market for swine genetics. Quoted prices for swine semen from a small sampling of producers range from \$6 to \$50 per dose. It is presumed that the higher priced semen represents the greater perceived benefit to U.S. swine products. In addition to the price per dose, buyers must pay for packaging materials and shipping costs, although these costs constitute a small fraction of the overall cost. A typical shipment of swine semen would be 30 doses packed in a cooler. Packing materials, including cooler, are available for about \$15 per shipment. A 15-pound packed cooler can be shipped between the United States and the EU for about \$200. The value of a 30-dose shipment of swine semen is therefore assumed to

be \$1,715. Using that value, annual values of swine semen imported from the region affected by this rule are expected to be approximately \$40,000.

Regarding the effects of the rule on small entities, more than 88 percent of all U.S. hog farms meet the U.S. Small Business Administration size criterion for small entities of annual revenues of less than \$750,000. Pork, breeding swine, and swine semen imports from the region in question are unlikely to be significantly affected by this regulatory change, which could cause an average annual effect on small entities of less than 0.1 percent of average gross revenue.

Recognition of Greece and Certain Regions in Italy as Free of SVD

We are also recognizing Greece and four Regions in Italy as free of SVD. Recognition of Greece and certain Regions in Italy as free of SVD will remove U.S. import restrictions because of this disease with respect to pork and live swine. This analysis examines potential effects of this rule on U.S. entities by comparing global trading patterns of Greece, Italy, and the United States for these commodities.

International trade statistics for swine, pork, and pork products are available for Greece and the United States, but not specifically for the four Regions in Italy. Given the unavailability of individual regional trade statistics for the Regions in question, we based our analysis on swine, pork, and pork products for Italy as a whole. Because Italy has a total of 20 Regions, conclusions regarding likely minimal export effects for the four Regions are all the more valid.

Both Greece's and Italy's swine, pork, and pork imports far outweigh their exports. During the period 1996 to 2000, the annual value of Italy's imports of swine, pork, and pork products averaged more than \$1.2 billion more than the value of its exports of swine, pork, and pork products. For Greece, the annual value of its imports of swine, pork, and pork products averaged more than \$250 million more than the value of its exports. In contrast, during the same period, the United States annually averaged approximately \$6.2 million more in exports of breeding swine than in imports, and over \$475 million more in exports of pork and pork products than imports. The United States is a net importer of swine other than breeding swine, with average annual imports, virtually all of which are supplied by Canada, valued at close to \$274 million more than annual exports.

Small entities that might be directly affected by the SVD provisions of this rule are buyers and wholesalers of

swine and pork products, and, indirectly, U.S. pork producers. However, as discussed above, prevailing trade patterns indicate that this rule will have little economic effect on U.S. entities, large or small.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

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.

National Environmental Policy Act

An environmental assessment and finding of no significant impact were prepared for this rule. The assessment provides a basis for the conclusion that the importation of swine, swine semen, and other swine products from specified regions in Europe under the conditions specified in this rule will not have a significant impact on the quality of the human environment. Based on the finding of no significant impact, the Administrator of the Animal and Plant Health Inspection Service has determined that an environmental impact statement need not be prepared.

The environmental assessment and finding of no significant impact were 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).

Copies of the environmental assessment and finding of no significant impact are available for public inspection at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect copies are requested to call ahead on (202) 690–2817 to facilitate entry into the reading room. In addition, copies may be obtained by contacting the individual listed under **FOR FURTHER INFORMATION CONTACT.**