

situations when an applicator needs to have methyl bromide on-hand to fumigate a shipment hours after it arrives, EPA understands applicators strive to anticipate these busy seasons and accordingly place large orders well in advance. Under today's exemption, when an applicator places a large order in anticipation of future needs for methyl bromide for quarantine and preshipment applications, the applicator can and must submit the Certification Form for the quantity that will be stored to be used solely for quarantine and preshipment applications in the future.

C. Are Distributors Required To Report?

With today's action, EPA is requiring that a person who distributes methyl bromide to applicators (the distributor) compile all the information from applicator certifications (as described in part VII.B above) on a quarterly basis and submit the summary data to EPA. In administering other parts of the stratospheric ozone protection program over the past decade, regulated companies have often expressed an appreciation for the submission of smaller, quarterly reports, rather than one large, end-of-year report. EPA also believes that regular, quarterly tracking by distributors will increase the accuracy of reporting. Since EPA received no comments objecting to the submission of quarterly reports, we are requiring distributors to submit quarterly reports that summarize the total quantity of methyl bromide sold over a quarter to applicators who submitted certifications described in part VII.B above.

The collection of information on the quantity of methyl bromide sold and certified for quarantine and preshipment applications is needed so that the U.S. can respond to a recent amendment to the Protocol. The amendment, to which the Parties agreed at their Eleventh Meeting in Beijing in 1999, adds a provision to Article 7 (Reporting of Data), requiring Parties to submit information on the amounts of methyl bromide used for quarantine and preshipment applications. Reporting by the distributors will allow a comparison between the quantities of methyl bromide sold and certified for quarantine and preshipment applications with the amount of methyl bromide produced and imported for quarantine and preshipment applications, as reported in the producers'/importers' report as described in part VII.A above.

D. What About Methyl Bromide Exported for Quarantine and Preshipment Applications?

With today's action, producers and others that export methyl bromide must report the total quantity of methyl bromide explicitly exported to individual foreign countries for quarantine and preshipment applications on a quarterly basis. Under § 82.13, producers and exporters already distinguish other exempted quantities of methyl bromide explicitly exported for transformation or destruction. For each export of methyl bromide for quarantine and preshipment applications, as for exports for transformation or destruction, the exporter must obtain a certification from the foreign person (entity) importing the methyl bromide stating that the material will be used only for quarantine and preshipment applications. These certifications must be submitted with the quarterly reports. These certifications will then be shared with the appropriate foreign government officials in the importing country and the compiled data will be shared with UNEP advisory bodies to the Protocol. Certifications must accompany the reporting on quantities exported for quarantine and preshipment applications because of a concern that the U.S., as one of the largest worldwide producers of methyl bromide, could potentially contribute to the creation of a loophole for non-exempt uses of methyl bromide around the globe. EPA feels it will be important to closely monitor and track production of methyl bromide that is exported for quarantine and preshipment applications because these uses are exempt from Protocol control measures.

The above requirements are consistent with those created by the interim final rule. EPA received no comments related to this issue.

E. Will There Be a FIFRA Pesticide Label Change?

The interim final rule introduced the possibility of EPA's Office of Pesticide Programs developing, under the authority of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), a unique label for methyl bromide specifically designated for quarantine and preshipment use. The Agency received five comments in support of such an action. Commenters advocated that EPA replace the record keeping and reporting requirements established by the interim rule (and continued with today's action) with such a label in order to reduce the burden on users associated with the Quarantine and Preshipment Exemption.

EPA recognizes the potential burden reduction that creating a new QPS-specific FIFRA label could offer, however, the Agency also remains cognizant of the need to retain access to the information it needs to meet the U.S. government's own international reporting requirements as established by the Montreal Protocol. Thus, after the Office of Pesticide Programs finishes the process of making changes that create a new QPS-specific FIFRA label for methyl bromide, the Office of Air and Radiation will consider ways to simplify today's recordkeeping and reporting requirements but likely retain some of these requirements to ensure the accurate submission of data in accordance with U.S. obligations under the Montreal Protocol.

A registration/label change would designate individual cylinders of methyl bromide specifically for quarantine and preshipment applications and it would be illegal to use the material in these cylinders for other uses. Under an approved registration/label change there would be unique registration numbers for the new labels that would accompany each cylinder through the chain of commerce from producers or importers to the end-user (the applicator). As currently required under FIFRA, establishments would report total quantities of methyl bromide under this new quarantine and preshipment registration/label to EPA's Office of Pesticide Programs on an annual basis. Following a change in the FIFRA authorized registration/label, it would be possible for the Agency to reconcile the total quantity of methyl bromide certified to be solely for quarantine and preshipment applications under procedures described in parts VII.B and VII.C above, the total quantity of methyl bromide produced or imported for quarantine and preshipment applications under today's part VII.A above, and the annual FIFRA establishment reports on methyl bromide, which reference specific products by registration number.

EPA's Office of Pesticide Programs is continuing to work with the Methyl Bromide Industry Panel to develop a registration and label change for methyl bromide products. EPA reserves the ability to reevaluate the record keeping and reporting requirements established in today's action if and when such a label is created.

VIII. What Were Other Considerations and Situations on Which EPA Sought or Received Comment?

In the interim final rule, EPA sought comment on a number of possible variations on the exemption that were