

of \$36.5 billion from the sale of cattle, calves, beef, and veal. Cash receipts from the sale of milk and cream in 1999 reached \$23.2 billion. U.S. hogs and pigs in 2000 were valued at \$4.6 billion, with 1999 cash receipts from the sale of hogs, pork, and lard totaling \$8.6 billion. Sheep and lamb inventories in 2000 were valued at \$668.8 million, with 1999 cash receipts of \$468.8 million from the sale of live sheep and lambs and of mutton and lamb. The value of U.S. wool production in 1999 totaled about \$17.9 million.

U.S. exports of live bovines, swine, sheep, and goats were valued at \$304.5 million in 2000. U.S. exports of fresh beef, pork, and sheep and goat meat totaled \$4.4 billion in 2000. U.S. exports

of fresh ruminant and swine products other than meat were valued at \$718.4 million in 2000. U.S. exports of prepared and preserved ruminant and swine meat products such as sausages and cured, salted, and dried meats were valued at \$375.5 million in 2000. U.S. exports of dairy products totaled \$784.1 million in 2000. In addition, the United States exports a great number of other ruminant and swine products including germplasm, hides and skins, animal feeds, dairy products, bones, hair, guts, and glands.

In order to help prevent an outbreak of FMD in the United States, and thus protect the substantial domestic and export market described above, imports of certain cheeses, butter, and butteroil

from regions affected with FMD would be subject to specific processing requirements as a result of this proposed rule. Other products, including milk, cream, casein, whey, caseinates, and ice cream, which are already eligible for importation under different conditions, could also be processed using the proposed methods as an alternative to meeting the existing requirements governing the importation of those products. Those products, as previously discussed, would need to be accompanied by an official veterinary certificate that attests to the completion of the appropriate processing. U.S. imports of these products in 2000 from regions affected with FMD and the world are shown in Table 1.

TABLE 1.—U.S. IMPORTS OF MILK AND MILK PRODUCTS, 2000

Product imported	From FMD affected regions (in millions)	From FMD free regions (in millions)	U.S. global imports (in millions)
Milk and cream, not concentrated	\$0.73	\$9.65	\$10.38
Milk and cream, concentrated or sweetened	2.78	31.51	34.29
Butter and other fats and oils derived from milk	0.65	34.44	35.09
Cheese and curd	140.53	556.10	696.63
Ice cream	2.38	15.25	17.62
Casein and caseinates	98.81	401.57	500.38
Other milk products	15.25	157.06	172.31

Source: World Trade Atlas, Global Trade Information Services, Inc.

Approximately 9 percent of these imports were from regions affected with FMD. Information on the portion of butter, butteroil, and cheese imports from FMD-affected regions that do not currently meet the proposed requirements is not available. However, the impact of the proposed changes is expected to be small. Imports in total are small relative to domestic production. For example, butter imports totaled 18,059 metric tons in 1999, while domestic production of butter was 578,349 metric tons. In addition, APHIS anticipates that the majority of these imports currently meet, or could relatively easily be made to meet, the requirements described in this proposed rule, as most processors already possess and use the equipment necessary to meet the proposed standards. In addition, certain products (*i.e.*, dry milk

and dry milk products including dry whole milk, nonfat dry milk, dried whey, dried buttermilk, and formulations which contain any such dry milk products) would continue to be eligible for importation under existing regulations and would not be required to meet the specific proposed requirements.

For most types of cheese imported into the United States, this proposed rule should have little impact. At a total of 197,537 metric tons in 1999, the amount of imported cheese was equal to about 5 percent of domestic cheese production, which was about 3.6 million metric tons. In addition, most U.S. imports of cheese currently meet or should be able to meet the requirements for time, temperature, and pH level in this proposed rule. There are notable possible exceptions to this. The aging

requirement in the proposed rule may affect the importation of some cheeses, as additional aging may alter the character of some cheeses made with raw milk and some cheeses with eye-formation such as Swiss cheese, thus making them less desirable or unavailable for importation. In 1999, the United States produced about 100,000 metric tons, and imported more than 34,000 metric tons, of Swiss cheese. Table 2 shows U.S. imports of Swiss type cheeses and their origin in 1998 through 2000. The extent to which imports of Swiss cheese and raw milk cheese may be altered as a result of the proposed rule is unknown. However, the effect should be exceedingly small, as more than 99 percent of U.S. Swiss cheese imports in 2000 originated in FMD-free countries.

TABLE 2.—U.S. IMPORTS OF SWISS CHEESE
[in metric tons]

Country of origin	1998	1999	2000
Austria	1,269	1,109	1,298
Canada	346	369	183
Denmark	1,428	3,417	2,585
Finland	5,872	6,908	8,124
France	1,371	984	1,390