

target animal species.

Accordingly, under the Bureau of Veterinary Medicine's supplemental approval policy (42 FR 64367; December 23, 1977), approval of this NADA has been treated as would approval of a Category II supplemental NADA and does not require reevaluation of the safety and effectiveness data contained in NADA's 12-491 and 41-275.

In accordance with the freedom of information provisions of Part 20 (21 CFR Part 20) and § 514.11(e)(2)(ii) (21 CFR 514.11(e)(2)(ii)), a summary of safety and effectiveness data and information submitted to support approval of this application may be seen in the Dockets Management Branch (HFA-305), Food and Drug Administration, Rm. 4-62, 5600 Fishers Lane, Rockville, MD 20857, from 9 a.m. to 4 p.m., Monday through Friday.

The Bureau of Veterinary Medicine has determined pursuant to 21 CFR 25.24(d)(1)(i) (proposed December 11, 1979; 44 FR 71742) that this action is of a type that does not individually or cumulatively have a significant impact on the human environment. Therefore, neither an environmental assessment nor an environmental impact statement is required.

This action is governed by the provisions of 5 U.S.C. 556 and 557 and is therefore excluded from Executive Order 12291 by section 1(a)(1) of the Order.

List of Subjects in 21 CFR Part 558

Animal drugs; Animal feeds.

PART 558—NEW ANIMAL DRUGS FOR USE IN ANIMAL FEEDS

§ 558.630 [Amended]

Therefore, under the Federal Food, Drugs, and Cosmetic Act (sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i))) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Bureau of Veterinary Medicine (21 CFR 5.83), Part 558 is amended in § 558.630 *Tylosin and sulfamethazine* by adding, in numerical sequence, drug sponsor code "043727" to paragraph (b)(9).

Effective date. July 20, 1982.

(Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)))

Dated: July 14, 1982.

Lester M. Crawford,

Director, Bureau of Veterinary Medicine.

[FR Doc. 82-19582 Filed 7-19-82; 8:45 am]

BILLING CODE 4160-01-M

DEPARTMENT OF EDUCATION

34 CFR Part 74

Education Department General Administrative Regulations (EDGAR)—Audit Requirements

AGENCY: Department of Education.

ACTION: Final regulations.

SUMMARY: The Secretary of Education amends the Education Department General Administrative Regulations (EDGAR). These amended regulations implement a revision by the Office of Management and Budget (OMB) of the audit requirements for governmental recipients of Federal grants and subgrants—Attachment P to OMB Circular No. A-102.

EFFECTIVE DATE: These regulations are effective July 20, 1982.

FOR FURTHER INFORMATION CONTACT: Willie Price, Acting Director, Policy Division, Assistance Management and Procurement Services, U.S. Department of Education, 400 Maryland Avenue, SW., (Room 5082, ROB-3) Washington, D.C. 20202. Telephone (202) 755-1217.

SUPPLEMENTARY INFORMATION: On October 22, 1979, OMB revised its audit requirements for States, local governments, and Indian tribal governments receiving Federal grants and subgrants. The requirements formerly appeared in Attachment G, paragraph 2(h) of OMB Circular No. A-102. The requirements now are located in a new Attachment P, published on October 22, 1979 in 44 FR 60958.

OMB previously had circulated the proposed revisions of the audit requirements to interest groups representing State, local, and Indian tribal governments; to Federal agencies; and to professional associations. OMB also published the proposed revisions in the *Federal Register* (44 FR 40624, July 11, 1979).

The most significant changes in the audit requirements are—

1. OMB has clarified its intent that audits be conducted on an organization-wide basis rather than a grant-by-grant basis.

2. As part of the organization-wide audit concept, the new requirements prohibit any Federal program from imposing program specific audit guidelines unless they are approved by OMB.

3. To insure that audits are acceptable to all Federal granting agencies, the new requirements establish a cognizant agency system for Federal review of audits.

4. The new requirements contain, in more detail, the prescribed coverage of audits and questions to be answered.

These regulations implementing Attachment P to Circular A-102 will apply to all programs of the Department except where a regulation for a particular program specifically provides otherwise.

Other Information

These amendments merely repeat Government-wide policies established by OMB after notice and public comment. Therefore, in accordance with 5 U.S.C. 553(b), the Secretary finds that it is unnecessary to take additional public comment before adopting these policies for the Department of Education.

Citation of Legal Authority

A citation of statutory or other legal authority is placed in parentheses on the line following each substantive provision of these final regulations.

List of Subjects in 34 CFR Part 74

Administrative practice and procedure, Grant programs—education, Grants administration.

Dated: July 14, 1982.
(Catalog of Federal Domestic Assistance No. is not applicable)

T. H. Bell,

Secretary of Education.

The Secretary amends Part 74 of Title 34 of the Code of Federal Regulations as follows:

PART 74—ADMINISTRATION OF GRANTS

1. The Table of Contents is amended by revising Subpart H to read as follows:

* * * * *

Subpart H—Standards for Grantee and Subgrantee Financial Management Systems and Non-Federal Audits

Sec.

74.60 Scope of subpart.

74.61 Financial management standards.

74.62 Non-Federal audits—State and local governments and Indian tribal governments.

* * * * *

2. Section 74.60 is revised to read as follows:

§ 74.60 Scope of subpart.

(a) This subpart contains standards for financial management systems and non-Federal audits of recipients.

(b) Awarding parties may not impose on recipients additional financial management standards or requirements concerning non-Federal audits. The

awarding parties may, however, provide recipients with suggestions and assistance on these subjects.

(20 U.S.C. 3474)

3. Section 74.61 is amended by revising the title and by adding a new first sentence to paragraph (h)(1) to read as follows:

§ 74.61 Financial management standards.

(h) *Audit*—(1) *General*. This paragraph applies to each recipient that is not a "recipient organization", as defined in § 74.62(b). * * *

4. A new § 74.62 is added to Subpart H to read as follows:

§ 74.62 Non-Federal audits—State and local governments and Indian tribal governments.

(a) *Purpose*. (1) This section establishes audit requirements for State and local governments and Indian tribal governments that receive Federal assistance. It provides for independent audits of financial operations, including compliance with certain provisions of Federal law and regulation. The requirements are established to ensure that audits are made on an organization-wide basis, rather than on a grant-by-grant basis.

(2) Except where specifically required by law, no additional requirements for audit will be imposed unless approved by the Office of Management and Budget.

(b) *Definitions*. For the purposes of this section—

"Cognizant agency" means ED if ED has been assigned audit responsibility for a particular recipient organization by the Office of Management and Budget.

"Recipient organization" means a State department, a local government, an Indian tribal government, or a subdivision of those entities, that receives Federal assistance. It does not include State and local institutions of higher education or hospitals.

(c) *Procedures for obtaining Non-Federal audits*. State and local governments and Indian tribal governments shall use their own procedures to arrange for independent audits, and to prescribe the scope of audits. However, the audits must comply with the requirements in this section. Where contracts are awarded for audit services, the contracts must include a reference to this section (34 CFR 74.62).

(d) *Federal audits*. This section does not limit the authority of Federal agencies to make audits of recipient organizations. However, if independent audits arranged for by recipients meet the requirements in this section, all

Federal agencies must rely on them, and any additional audit work must build upon the work already done.

(e) Audits must be made in accordance with the Comptroller General's *Standard for Audit of Governmental Organizations, Programs, Activities and Functions*, The General Accounting Office's *Guidelines for Financial and Compliance Audits of Federally Assisted Programs* and successor publications, any compliance supplements approved by OMB, and generally accepted auditing standards established by the American Institute of Certified Public Accountants.

(f) Audits must include, at a minimum, an examination of the systems of internal control, systems established to ensure compliance with laws and regulations affecting the expenditure of Federal funds, financial transactions and accounts, and financial statements and reports of recipient organizations. These examinations are to determine whether—

(1) There is effective control over and proper accounting for revenues, expenditures, assets, and liabilities;

(2) The financial statements are presented fairly in accordance with generally accepted accounting principles;

(3) The Federal financial reports (including Financial Status Reports, Cash Reports, and claims for advances and reimbursements) contain accurate and reliable financial data, and are presented in accordance with the terms of applicable agreements, and in accordance with Subpart I of this part; and

(4) Federal funds are being expended in accordance with the terms of applicable agreements and those provisions of Federal law or regulations that could have a material effect on the financial statements or on the awards tested.

(g)(1) In order to accomplish the purposes set forth above, a representative number of charges to Federal awards must be tested.

(2) The test must be representative of—

(i) The universe of Federal awards received; and

(ii) All costs categories that materially affect the award.

(3) The test is to determine whether the charges—

(i) Are necessary and reasonable for the proper administration of the program;

(ii) Conform to any limitations or exclusions in the award;

(iii) Were given consistent accounting treatment and applied uniformly to both

federally assisted and other activities of the recipients;

(iv) Were net of applicable credits;

(v) Did not include costs properly chargeable to other federally assisted programs;

(vi) Were properly recorded (i.e., correct amount, date) and supported by source documentation;

(vii) Were approved in advance, if subject to prior approval in accordance with Appendix C to this part;

(viii) Were incurred in accordance with competitive purchasing procedures if covered by Subpart P of this part; and

(ix) Were allocated equitably to benefiting activities, including non-Federal activities.

(h) Audits usually will be made annually, but not less frequently than every two years.

(i) If the auditor becomes aware of irregularities in the recipient organization, the auditor must promptly notify the cognizant agency and recipient management officials above the level of involvement. Irregularities include such matters as conflicts of interest, falsification of records or reports, and misappropriation of funds or other assets.

(j) The audit report must include—

(1) Financial statements, including footnotes, of the recipient organization;

(2) The auditors' comments on the financial statements which should—

(i) Identify the statements examined, and the period covered;

(ii) Identify the various programs under which the organization received Federal funds, and the amount of the awards received;

(iii) State that the audit was done in accordance with the standards in paragraph (e) of this section; and

(iv) Express an opinion as to whether the financial statements are fairly presented in accordance with generally accepted accounting principles. If an unqualified opinion cannot be expressed, the nature of the qualification should be stated;

(3) The auditors' comments on compliance and internal control, including—

(i) Comments on weaknesses in and noncompliance with the systems of internal control, separately identifying material weaknesses;

(ii) The nature and impact of any noted instances of noncompliance with the terms of agreements and those provisions of Federal law or regulations that could have a material effect on the financial statements and reports; and

(iii) An expression of positive assurance with respect to compliance

with requirements for tested items, and negative assurance for untested items.

(4) Comments on the accuracy and completeness of financial reports and claims for advances or reimbursement to Federal agencies; and

(5) Comments on corrective action taken or planned by the recipient.

(k) Work papers and reports must be retained for a minimum of three years from the date of the audit report unless the auditor is notified in writing by the cognizant agency of the need to extend the retention period. The audit workpapers must be made available upon request to the cognizant agency or its designees and the General Accounting Office or its designees.

(l) A copy of each recipient's audit report that affects federally assisted programs must be provided to the cognizant agency.

(m) Recipients shall require subrecipients that are State and local governments or Indian tribal governments to adopt the requirements in paragraphs (a) through (k) of this section. The recipient shall ensure that it receives the subrecipients' audit reports.

(n) Small business concerns and business concerns owned and controlled by socially and economically disadvantaged individuals must have the maximum practicable opportunity to participate in the performance of contracts awarded with Federal funds. Grantees of Federal funds shall take the following affirmative action to further this goal—

(1) Assure that small audit firms and audit firms owned and controlled by socially and economically disadvantaged individuals as defined in Pub. L. 95-507 are used to the fullest extent practicable;

(2) Make information on forthcoming opportunities available, and arrange time frames for the audit so as to encourage and facilitate participation by small or disadvantaged audit firms;

(3) Consider in the contract process whether firms competing for larger audits intend to subcontract with small or disadvantaged firms;

(4) Encourage contracting with small or disadvantaged audit firms which have traditionally audited government programs, and in cases where this is not possible, assure that these firms are given consideration for audit subcontracting opportunities;

(5) Encourage contracting with consortiums of small or disadvantaged audit firms as described in paragraph (n)(1) if a contract is too large for an individual small or disadvantaged audit firm; and

(6) Use the services and assistance, as appropriate, of the Small Business

Administration and the Minority Business Development Agency of the Department of Commerce in the solicitation and utilization of small or disadvantaged audit firms.

(20 U.S.C. 3474)

[FR Doc. 82-19513 Filed 7-19-82; 8:45 am]

BILLING CODE 4000-01-M

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 65

[Docket No. FEMA 6350]

Identification and Mapping of Special Flood Hazard Areas; Changes in Special Flood Hazard Areas Under the National Flood Insurance Program

Correction

In FR Doc. 82-18767, beginning on page 30490 in the issue of Wednesday, July 14, 1982, the fifth entry in the first column of the table on page 30491 should have read, "Arkansas: Nevada".

BILLING CODE 1505-01-M

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

Endangered and Threatened Wildlife and Plants, Revision of Special Rule for the African Elephant

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Final rule.

SUMMARY: The Service revises the special rule for the African elephant, *Loxodonta africana*, by requiring that raw ivory imported into or exported from the United States be marked, by eliminating prohibitions against certain domestic activities and by limiting coverage of the special rule to ivory. This rule makes no changes in the regulations implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora (50 CFR Part 23). The special rule recognizes the difficulty of enforcing some of the requirements of the old special rule and is designed to bring the special rule into line with the provisions and recommendations of the Convention. The intended effect of this rule is to preserve scarce resources and provide more effective controls on the international trade of African elephant ivory.

DATE: This rule is effective September 20, 1982.

ADDRESS: Send correspondence to the Director, U.S. Fish and Wildlife Service, Federal Wildlife Permit Office, Washington, D.C. 20240.

FOR FURTHER INFORMATION CONTACT:

Richard M. Parsons, Chief, Federal Wildlife Permit Office, U.S. Fish and Wildlife Service, Washington, D.C. 20240, Telephone (703/235-1937).

SUPPLEMENTARY INFORMATION: On April 9, 1981, the Service published in the *Federal Register* a notice of intent (46 FR 21209) to amend the special rule for the African elephant (50 CFR 17.40(e)). The notice stated that the Service was considering amending the special rule to ease restrictions on certain domestic activities involving African elephant items and to bring the rule more into line with the import and export provisions of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (hereinafter referred to as CITES or the Convention). The notice also stated that the Service was considering a marking requirement for "raw ivory" and measures to insure that ivory imported into the U.S. had been lawfully acquired in the country of origin.

On July 17, 1981, the Service published a proposed rule (46 FR 37059) in which the background material set forth a brief history of regulation of the African elephant in the U.S. and problems associated therewith. It also set forth a resolution issued by the third regular meeting of the Conference of the Parties to CITES (hereinafter referred to as the resolution) held last February and March in New Delhi.

On August 25, 1981, the Service published a correction to the preamble of the proposed rule which clarified its request for information concerning the necessity of licensing those ivory importers exempt from the licensing requirements of 50 CFR Part 14 (46 FR 42887). The correction also extended the comment period for the proposed rule to September 9, 1981.

Information and Comments

A small number of persons and organizations provided information and comments. In general, the comments favored adoption of the proposed rule. The Service will here summarize and address only those comments that recommended changes in the proposed rule.

Comment: The final rule should state in regulatory form the exception provided by section 9(c)(2) of the Endangered Species Act so that imports of African elephant sport hunting trophies would continue to be exempt

from the prohibitions of the Act and regulations thereunder.

Response: The Service is developing a regulation incorporating this exception into Part 17, but will make it applicable to listed species in general rather than to the African elephant alone. Therefore, this special rule does not contain any reference to the exception. Generally, this exemption is applicable to African elephant hunting trophies.

Comment: Designated ports for imports of ivory should be reduced 2 to 3 (New York City, Chicago, Seattle) from the current 9 to make regulation and monitoring of ivory more effective.

Response: Available information indicates that most of the ivory entering the U.S. enters through four ports. Limitation to these designated ports would constitute an unwarranted limitation on the trade which does not enter those ports.

Comment: The current requirement that worked ivory be derived from an elephant taken in a Party country should be retained.

Response: The resolution recommends that only permits and certificates for raw ivory mention country of origin. This is tacit recognition of the difficulty of matching documents with worked ivory and of marking worked ivory. Experience of the Service in enforcing this rule has proven that it is unworkable. Before importation into the U.S., most worked ivory has entered several countries changing ownership several times. Agreement by the Parties to limit imports of ivory to those from CITES Parties would make enforcement of such a restriction practical. Such an agreement has not been reached.

Comment: Unilateral action by the U.S. imposing a raw ivory marking requirement could cause a price dichotomy and could effectively prohibit imports from those CITES countries not requiring marking.

Response: Regulation of items in trade may have an impact on their price. Regulation of international trade is often not uniform with resultant price differentials. There is no indication such differentials will disrupt the raw ivory trade. The resolution provided no time frames for implementation probably because implementation mechanisms vary greatly from country to country. The one year grace period contained in this rule is an attempt, in part, to accommodate this variation.

Comment: There is no need to regulate trade in worked ivory if trade in raw ivory is regulated.

Response: This would be true if the trade in raw ivory were regulated exceptionally well. Raw ivory successfully smuggled and then worked

could avoid all CITES controls on raw ivory. Furthermore, CITES controls would be totally circumvented in those cases where the country of origin also exported worked ivory. Several African countries are currently exporting worked ivory items.

Comment: Illegally acquired raw ivory could be sent to a non-Party country where it could be marked so as to make it appear that it comes from a Party country thereby satisfying, in part, the rules as proposed.

Response: The mark would indicate country of origin. Where "laundering" is suspected, a check back with the country of origin as marked would disclose that export was improper, or that the mark was improper.

Comment: Imports of African elephant trophies taken in non-Party countries with good conservation programs should be allowed.

Response: Such imports would usually be exempt from these regulations if they satisfied the requirements of section 9(c)(2) of the Endangered Species Act.

Comment: The proposed rule should be changed to make it clear that live and dead elephants are not covered by the rule.

Response: The final rule contains a statement to this effect and goes further by changing the proposed rule so that it only covers ivory. It is generally accepted that control of the international ivory trade is the key to controlling the detrimental impacts of the trade in elephant items. The African elephant and its parts and products including ivory will still be controlled by the Service's regulations implementing CITES (50 CFR Part 23).

Comment: The proposed rule is too complex. To simplify it, all importations of African elephant parts and products should be banned.

Response: Such a ban might simplify the regulations but not benefit the species. A ban could reduce the elephant's survival chances by removing incentives to conserve the species. The resolution rather than recommend a trade ban recommended stricter regulation of the trade. The Service believes that only internationally coordinated practical action, such as that recommended by the resolution, can truly aid the African elephant. Although imports of raw ivory into the United States constitute a small portion of world trade, our leadership in implementing a marking requirement for imports of raw ivory will bring us into line with the recommendation of the CITES Conference of the Parties and provide the leadership and incentives to other countries to do likewise.

Comment: The rule should be more restrictive by limiting trade to CITES Parties that have implemented the resolution.

Response: The rule already prohibits trade with Party countries which do not provide for raw ivory marking and which do not clearly show the country of origin of the raw ivory on documents, both important elements of the resolution. This should be sufficient to stimulate implementation by Party countries trading with the U.S.

Comment: Large amounts of worked ivory have been imported through the mails with little inspection. Mail importations should be so restricted as to allow proper inspection, documentation and enforcement.

Response: Mail shipments are routinely checked on a sample basis. Further restriction of mail shipments should be based on sufficient information as to its need and feasibility to warrant placing a further burden on commercial and personal importations.

Comment: Large quantities of ivory carvings and jewelry have been imported under the "personal effects" exception and are then being sold for large profits.

Response: Specific and substantiated allegations of this nature are a primary tool for preventing abuses of the rules and should be directed to the appropriate law enforcement office. The CITES Parties are currently in the process of examining all exemptions in Article VII of CITES.

Comment: All ivory shipped from Africa to the U.S. via a third country should be accompanied by a copy of the original export document issued by the African country.

Response: With certain exceptions, this final rule requires raw ivory imported into the U.S. to bear a mark indicating, in part, the country of origin which should enable tracing of the original documents. The requirement of an original export document in such instances, unilaterally imposed, could seriously inhibit legitimate trade with the U.S., since in most instances the U.S. destination would probably not be known until one or more export-import events had occurred.

Comment: The United States should not trade with any CITES Party that trades in ivory with a non-Party country.

Response: A proposal to ban trade in ivory with non-Party countries was discussed by the Technical Expert Committee in connection with a draft of the resolution. No agreement could be reached. To the best of the Service's information, few if any Party countries other than the U.S. have adopted such a

ban. Refusal to trade with Party countries not banning trade with non-Party countries would more than likely disrupt the U.S. ivory trade and hamper any attempts at negotiating such an international ban with Party countries.

Comment: It is believed that there are very few importers of raw ivory for commercial purposes and that they are presently licensed under 50 CFR Part 14. A requirement for a separate license would be redundant and therefore unnecessary.

Response: The Service has no information to indicate that a significant number of ivory importers are not licensed under Part 14. Since those persons generally exempted from the license requirement are small entities, imposing the requirement without substantial information that it is necessary would be contrary to the purposes of the Regulatory Flexibility Act, 5 U.S.C. 601.

Final Rule Differs From Proposed Rule

The proposed rule covered all parts and products of the African elephant. The final rule only covers ivory. Most imports into the U.S. of parts and products of the African elephant involve ivory in one form or another; adequate controls exist for other parts and products in the regulations that implement CITES (see 50 CFR Part 23).

The phrase "whole tusks when the whole surface has been carved * * *" in the proposed definition of worked ivory has been changed to " * * * whole tusks where all or substantially all of the surface has been carved * * *" in order to include as worked ivory carved tusks which have a portion left uncarved in final form. In order to include in the definition of worked ivory, products which need further manufacturing, crafting or carving after being imported, but which are clearly recognizable as to function on importation, the definition was further changed by adding the word "substantial" to the phrase " * * * in a form requiring no further [substantial] carving, crafting or manufacture * * *".

The definition of raw ivory was changed with reference to ivory pieces by adding the phrase "howsoever changed from its original form". Ivory chips, flakes and compressed powder would, for example, be included in the definition of raw ivory. It is intended that all ivory must either fall under the definition of raw ivory or worked ivory. It was also with this intent that both the proposed and final definition omitted the word "cut" used in the resolution in reference to pieces so that pieces of ivory obtained in any fashion would be included in the definition.

The proposed rule provided a one year grace period within which raw ivory could be imported without the required mark to provide sufficient and reasonable time for countries to institute marking and registration systems. The proposal required a prescribed mark to be affixed prior to final entry. The final rule retains the grace period (extending it to 18 months to enable adjustments to the rule which may be adopted by the Fourth Conference of the Parties), but allows final entry without prior marking. However, this will only be allowed if the Service is satisfied (1) that the raw ivory was legally exported from the country of origin, and (2) that the country exporting the ivory to the U.S. does not yet have a marking system. This change from the proposed rule, which provided for marking after import but before final entry of the raw ivory, was made because it was learned that access to items in Customs' custody is very restricted, making the marking requirement, as proposed, difficult to comply with.

In order to assure appropriate marking for identification purposes of unmarked ivory imported during the grace period and of unmarked ivory in the U.S. prior to the effective date of this rule, the final rule contains a requirement that prior to export from the U.S. such ivory must bear a mark assigned by the Service under permit.

The final rule accommodates marks which supply the necessary information, but which use a formula at variance with the one set forth in the rule. Marking systems have been in operation in some countries of origin for some time, and it would be an unnecessary burden to require a revamping of systems that meet regulatory needs.

In a similar vein, the final rule adds an alternate import marking requirement which enables reimportation of raw ivory marked for export from the United States, and importation of raw ivory marked by a country other than a country of origin. The Service recognizes that there are large stores of raw ivory scattered around the world. While requiring such ivory to obtain marks of registry from countries of origin would be impractical, the Service believes that such ivory should bear officially prescribed marks prior to importation, in part, to prevent freshly taken ivory from avoiding marking requirements under claims that it was "old ivory" in storage.

The weight element of the marking requirements has been modified in the final rule to require that weight be marked to the nearest kilogram. Items which could be rounded up or down (i.e., ivory with a weight of .5 kilograms or

some whole number and .5 kilograms) should be rounded down to the nearest kilogram. One of the marking formulas in the proposed and final rule also refers to the two-letter country codes established by the International Organization for Standardization. The codes are included in the final rule as they appear in the official "Proceedings of the second meeting of the Conference of the Parties" Volume 1, pages 414-419, as published by the Secretariat of the Convention, IUCN, Gland, Switzerland, 1980, and supplemented by information received from the Secretariat. The Service has asked the Secretariat to notify the Parties of any changes in this list, and will publish them as received.

With regard to the requirement that raw and worked ivory must be imported from a Party country, a proviso has been added to the final rule that an item imported from a Party country which it transited under the exemption in Article VII paragraph 1 of CITES does not satisfy this requirement. Thus, for example, a shipment from Austria which transits the United Kingdom before being imported into the United States would be an import from Austria. This makes clear that for purposes of this Special Rule the CITES definition of export (as opposed to transit) applies. This is necessary to avoid "laundering" of ivory shipments through countries which, because of the transit exemption in CITES, have no obligation to assure the legality of the shipment or to mark and register raw ivory. Further, regarding such requirement, all references to Parties which have taken a reservation have been omitted from the final rule for drafting purposes only. It should be understood that imports of raw or worked ivory from Parties with current reservations as to such items are not considered to be imports from Parties. The Service knows of no such reservations currently in effect.

The final rule also requires marking of raw ivory only where the size and density of the raw ivory makes punch-die marking feasible. Thus such items as small chips, flakes and loose powder would not have to bear one of the prescribed marks.

Effect of the Final Rule

This final rule changes the "special rule" covering the African elephant as contained in 50 CFR 17.40(e) as follows:

(1) It eliminates controls on live and dead African elephants and on all parts, products and offspring thereof with the exception of ivory. Of course, the rules implementing CITES as found in 50 CFR Part 23 continue to control imports and exports of all of the aforesaid.

(2) It eliminates prohibitions under the Endangered Species Act of 1973 against taking African elephant, possession of unlawfully taken African elephant, certain activities in interstate and foreign commerce and sale and offer for sale in interstate commerce of African elephant.

(3) With regard to raw ivory, it eliminates the requirement that raw ivory must originate in and remain in a chain of trade composed of Party countries from country of origin to the U.S. and substitutes a requirement that the raw ivory must originate in a Party country and be exported to the U.S. from a Party country. Other intermediary countries in the chain of trade can be either Party or non-Party countries. This rule adds a requirement that raw ivory imported into the U.S. must bear a mark established by the rule. An 18 month exception to this import requirement is provided. However, unmarked raw ivory exported from the U.S. must bear a mark provided by a Service permit.

(4) With regard to worked ivory, this rule eliminates the requirement that worked ivory originate in a Party country and remain in a chain of trade composed of Party countries, and substitutes therefor a requirement that worked ivory must be exported to the U.S. from a Party country.

Determinations of Effects, NEPA

The Department of the Interior has determined that this is not a major rule under Executive Order 12291.

The Department has also certified that this rule will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act. The small number of raw ivory shipments to the United States indicates that the number of small business entities engaged in such trade is also small. The system of marking raw ivory is designed to bring stability to the trade which should be of benefit to small businesses. It has also been determined that this rule does not require an environmental impact statement under the National Environmental Policy Act.

This rule contains information collections, under the Paperwork Reduction Act of 1980, which have Office of Management and Budget approval under clearance number 1018-0022.

Effective Date of Rule, Authorship

This rule shall enter into effect on September 20, 1982. The primary author of this final rule is Arthur Lazarowitz, Acting Chief, Management Operations Branch, Federal Wildlife Permit Office.

List of Subjects in 50 CFR Part 17

Endangered and threatened wildlife, Fish, Marine mammals, Plants (agriculture).

Regulations Promulgation

PART 17—ENDANGERED AND THREATENED WILDLIFE AND PLANTS

For the reasons set forth in the preamble to the proposed rule and this rule, §§ 17.3 and 17.40(e) of 50 CFR Part 17 are amended as follows:

1. The authority citation for Part 17 reads as follows:

Authority: Pub. L. 93-205, 87 Stat. 884; Pub. L. 95-632, 92 Stat. 3751; and Pub. L. 96-159, 93 Stat. 1241 (16 U.S.C. 1531, et seq.).

2. Section 17.3—amend 17.3 by inserting the following new definition alphabetically:

§ 17.3 [Amended]

* * * * *

"Convention" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora, TIAS 8249.

3. Amend § 17.40(e) by removing all of the language thereof and substitute therefor the following:

§ 17.40 [Amended]

* * * * *

(e) African elephant (*Loxodonta africana*)—(1) *Scope*. The regulations of this paragraph (e) only apply to import and export of raw and worked ivory, however, the import and export of African elephants, including live and dead animals, offspring, and all parts and derivatives are also subject to Parts 14 and 23 of this subchapter.

(2) *Definitions*. For purposes of this paragraph (e):

"Lip mark area" means that area of a whole African elephant tusk where the tusk emerges from the elephant's skull and which is usually denoted by a prominent ring of staining on the tusk in its natural state.

"Raw ivory" means any whole African elephant tusk, polished or unpolished, and in any form whatsoever, and all pieces thereof howsoever changed from its original form, except for worked ivory.

"Worked ivory" means any item made from raw ivory including whole tusks where all or substantially all of the surface has been carved, provided such item is clearly recognizable as jewelry, adornment, art, utility or a musical instrument, and is in a form requiring no further substantial carving, crafting or manufacture to effect its purpose.

(3) Prohibitions against import; exceptions. Except as provided below, it

is unlawful to import any raw or worked ivory of an African elephant (see paragraph (e)(4) for prohibitions and exceptions on export).

(i) Import of *Raw Ivory*; *exception*. The prohibition against import of raw ivory shall not apply to raw ivory that:

(A) Has as its country of origin a country that is at the time of import a Party to the Convention; and

(B) Is imported from a country that is at the time of import a Party to the Convention, under documentation, as required by Part 23 of this subchapter, which clearly shows the country of origin of raw ivory: *Except*, That: raw ivory that transited or was transhipped through a country while remaining under Customs control shall not be considered to be imported from that country; and

(C) Is, where its size and density make it feasible, legibly marked:

(1) Under a marking and registration system established by the country of origin, by means of punch-dies, and including the following information: country of origin represented by the two-letters as indicated in the two-letter code established by the International Organization for Standardization (see Appendix A to Chapter I) followed by the registration number assigned to the raw ivory by the country of origin, the last two digits of the year of registration and the weight of the raw ivory to the nearest kilogram (example, KE 127/8214 represents Kenya, registration number 127, year of registration 1982 and weight 14 kilograms); or

(2) Under a marking and registration system established by a country of re-export, showing the same information as in paragraph (c)(3)(i)(C)(1) of this section, except that the mark shall show the country requiring the marking instead of the country of origin; and

(3) In the case of whole tusks, any mark should be placed on the lip mark area and indicated by a flash of color which serves as a background for such mark.

(D) Any mark which substantially supplies the information required in paragraph (e)(3)(i)(C) of this section shall be acceptable.

(E) For a period of 18 months from the effective date of this rule, paragraph (e)(3)(i)(C) of this section shall not apply to raw ivory imported without such a mark if the Service is satisfied by documentary information provided by the importer or by other appropriate means that:

(1) The ivory was legally exported from the country of origin; and that

(2) The ivory is imported from a country which has certified that it does not require the raw ivory in question to

be marked in a manner that would satisfy the marking requirements of paragraph (e)(3)(i)(C) of this section.

(ii) Imports of *Worked Ivory; exception.* The prohibition against import of worked ivory shall not apply to worked ivory imported from a country that is at the time of import a Party to the Convention: *Except*, That: worked ivory that passed through a country in accordance with Article VII, Paragraph 1 of the Convention (the so-called transit exemption, see 50 CFR 23.13(b)) shall not be considered to be imported from that country.

(4) Prohibitions against export; exceptions. Except as provided below, it is unlawful to export any raw ivory of an African elephant (see paragraph (e)(3) of this section for prohibitions and exceptions on import).

(i) *Export of raw ivory; exception for marked ivory.* The prohibition against export of raw ivory shall not apply to raw ivory which was imported bearing a mark meeting the requirements in paragraph (e)(3)(i)(C) of this section and which retains that mark. The export of any pieces of such ivory which fall within the definition of raw ivory may only be exported under a permit issued under paragraph (e)(4)(iii) of this section.

(ii) *Export of raw ivory; exception where marking infeasible.* The prohibition against export of raw ivory shall not apply if the size or density of such ivory makes marking infeasible.

(iii) *Export of raw ivory; permit.* The prohibition against export of raw ivory shall not apply if the ivory is marked pursuant to a permit issued by the Service under the following provisions: (A) The Director may, upon receipt of an application submitted in accordance with the provisions of this section and §§ 13.11 and 13.12 of this subchapter, issue a permit authorizing the marking and export of raw ivory.

(Note.—This application may be combined with an application to export or re-export the raw ivory as provided for in Part 23 of this subchapter). Applications shall be submitted to the Director by the person who wishes to mark and export the raw ivory. Each application shall be submitted on an official application form (Form 3-200) provided by the Service. Each application shall contain the general information required by section 13.12(a) of this subchapter, plus the following additional information:

(1) Documents or other information showing legal export from the country of origin of the raw ivory;

(2) A description of the raw ivory to be marked including the weight to the nearest kilogram and any distinguishing marks or other features on or associated with such ivory; if the raw ivory is in the

form of pieces of tusks, weight and description of each piece must be supplied; and

(3) Documents or other information showing legal importation of the raw ivory under this subchapter.

(B) Upon receiving a complete application, the Director will decide whether or not a permit shall be issued. In making this decision, the Director shall consider, in addition to the criteria in § 13.21(b) of this subchapter, whether there is sufficient information to: determine that the country of origin was a Party to CITES at the time of importation into the U.S. and that the ivory was legally exported from that country; describe the raw ivory for purposes of identification; and to establish that the raw ivory was not imported in violation of the regulations of this subchapter.

(C) Each whole tusk or piece or raw ivory must be marked prior to export using the following formula: the two-letter code for the United States (US) followed by a number assigned by the Service and the weight of the raw ivory to the nearest kilogram; and in the case of whole tusks, the mark shall be placed on the lip mark area and indicated by a flash of color which serves as a background for such mark. NOTE: The information collections contained in this paragraph (e)(4)(iii) of this section are approved by Office of Management and Budget under the Paperwork Reduction Act of 1980 and have been assigned clearance number 1018-0022. This information is being collected to provide information necessary to evaluate permit applications. The obligation to respond is required to obtain or retain a permit.

(iv) *Export of raw ivory; exception for remarked pieces.* The prohibition against export of raw ivory shall not apply to pieces of raw ivory which were cut from raw ivory imported bearing a mark meeting the requirements in paragraph (e)(3)(i)(C) of this section, provided that each such piece is marked with a repetition of the original mark showing the weight of the piece being exported.

4. Add as an Appendix A to 50 CFR Chapter I the following:

APPENDIX A TO CHAPTER I.—CODES FOR THE REPRESENTATION OF NAMES OF COUNTRIES [ESTABLISHED BY THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION]

Country	2-Letter code
Afghanistan.....	AF.
Albania.....	AL.
Algeria.....	DZ.
Angola.....	AO.
Argentina.....	AR.

APPENDIX A TO CHAPTER I.—CODES FOR THE REPRESENTATION OF NAMES OF COUNTRIES [ESTABLISHED BY THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION]—Continued

Country	2-Letter code
Australia.....	AU.
Austria.....	AT.
Bahamas.....	BS.
Bahrain.....	BH.
Bangladesh.....	BD.
Barbados.....	BB.
Belgium.....	BE.
Benin.....	BJ.
Bhutan.....	BT.
Bolivia.....	BO.
Botswana.....	BW.
Brazil.....	BR.
Bulgaria.....	BG.
Burma.....	BU.
Burundi.....	BI.
Canada.....	CA.
Cape Verde.....	CV.
Central African Empire.....	CF.
Chad.....	TD.
Chile.....	CL.
China.....	CN.
Colombia.....	CO.
Comoros.....	KM.
Congo.....	CG.
Costa Rica.....	CR.
Cuba.....	CU.
Cyprus.....	CY.
Czechoslovakia.....	CS.
Democratic Kampuchea.....	KH.
Democratic People's Republic of Korea.....	KP.
Democratic Yemen.....	YD.
Denmark.....	DK.
Djibouti.....	DJ.
Dominica.....	DM.
Dominican Republic.....	DO.
Ecuador.....	EC.
Egypt.....	EG.
El Salvador.....	SV.
Equatorial Guinea.....	GQ.
Ethiopia.....	ET.
Fiji.....	FJ.
Finland.....	FI.
France.....	FR.
Gabon.....	GA.
Gambia.....	GM.
German Democratic Republic.....	DD.
Germany, Federal Republic of.....	DE.
Ghana.....	GH.
Greece.....	GR.
Grenada.....	GD.
Guatemala.....	GT.
Guinea.....	GN.
Guinea-Bissau.....	GW.
Guyana.....	GY.
Haiti.....	HT.
Holy See.....	VA.
Honduras.....	HN.
Hungary.....	HU.
Iceland.....	IS.
India.....	IN.
Indonesia.....	ID.
Iran.....	IR.
Iraq.....	IQ.
Ireland.....	IE.
Israel.....	IL.
Italy.....	IT.
Ivory Coast.....	CI.
Jamaica.....	JM.
Japan.....	JP.
Jordan.....	JO.
Kenya.....	KE.
Kiribati.....	KI.
Kuwait.....	KW.
Lao People's Democratic Republic.....	LA.
Lebanon.....	LB.
Lesotho.....	LS.
Liberia.....	LR.
Libyan Arab Jamahiriyah.....	LY.
Liechtenstein.....	LI.
Luxembourg.....	LU.
Madagascar.....	MG.
Malawi.....	MW.
Malaysia.....	MY.
Maldives.....	MV.

APPENDIX A TO CHAPTER I.—CODES FOR THE REPRESENTATION OF NAMES OF COUNTRIES [ESTABLISHED BY THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION]—Continued

Country	2-Letter code
Mali	ML
Malta	MT
Mauritania	MR
Mauritius	MU
Mexico	MX
Monaco	MC
Mongolia	MN
Morocco	MA
Mozambique	MZ
Nauru	NR
Nepal	NP
Netherlands	NL
New Zealand	NZ
Nicaragua	NI
Niger	NE
Nigeria	NG
Norway	NO
Oman	OM
Pakistan	PK
Panama	PA
Papua New Guinea	PG
Paraguay	PY
Peru	PE
Philippines	PH
Poland	PL
Portugal	PT
Qatar	QA

APPENDIX A TO CHAPTER I.—CODES FOR THE REPRESENTATION OF NAMES OF COUNTRIES [ESTABLISHED BY THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION]—Continued

Country	2-Letter code
Republic of Korea	KR
Romania	RO
Rwanda	RW
Saint Lucia	LC
Samoa	WS
San Marino	SM
Sao Tome and Principe	ST
Saudi Arabia	SA
Senegal	SN
Seychelles	SC
Sierra Leone	SL
Singapore	SG
Solomon Islands	SB
Somalia	SO
South Africa	ZA
Spain	ES
Sri Lanka	LK
Sudan	SD
Suriname	SR
Swaziland	SZ
Sweden	SE
Switzerland	CH
Syrian Arab Republic	SY
Thailand	TH
Togo	TG
Tonga	TO
Trinidad and Tobago	TT

APPENDIX A TO CHAPTER I.—CODES FOR THE REPRESENTATION OF NAMES OF COUNTRIES [ESTABLISHED BY THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION]—Continued

Country	2-Letter code
Tunisia	TN
Turkey	TR
Tuvalu	TV
Uganda	UG
Union of Soviet Socialist Republics	SU
United Arab Emirates	AE
United Kingdom of Great Britain and Northern Ireland	GB
United Republic of Cameroon	CM
United Republic of Tanzania	TZ
United States of America	US
Upper Volta	HV
Uruguay	UY
Vanuatu	VU
Venezuela	VE
Viet Nam	VN
Yemen	YE
Yugoslavia	YU
Zaire	ZR
Zambia	ZM
Zimbabwe	ZW

Dated: June 18, 1982.

G. Ray Arnett,

Assistant Secretary for Fish and Wildlife and Parks.

[FR Doc. 82-19561 Filed 7-19-82; 8:45 am]

BILLING CODE 4310-55-M