

outbreaks of the disease were confirmed in the departments of Artigas, Canelones, Colonia, Duranzo, Flores, Florida, Lavalleja, Maldonado, Paysandu, Rio Negro, Rivera, Rocha, Salto, San Jose, Tacuarembó, and Treinta y Tres.

In response to the spread of FMD within Uruguay, we issued an interim rule effective April 2, 2001, and published in the **Federal Register** on July 13, 2001 (66 FR 36695–36697, Docket No. 00–111–2), that amended the regulations by removing Uruguay from the list of regions considered free of rinderpest and FMD and from the list of regions that, although rinderpest and FMD-free, are subject to certain restrictions on the importation of meat and other animal products.

Comments on the interim rule of July 13, 2001, were required to be received on or before September 11, 2001. We did not receive any comments.

Although we removed Uruguay from the list of regions considered to be free of rinderpest and FMD, we recognized in that interim rule that Uruguay's Ministry of Livestock, Agriculture, and Fisheries had responded immediately to the detection of the disease by imposing restrictions on the movements of ruminants and swine from the affected areas and by initiating several measures to eradicate the disease. For this reason, we stated that we intended to reassess the situation in accordance with the standards of the World Organization for Animal Health (OIE) at a future date.

Since that time, we have undertaken a reassessment of Uruguay's disease status. While we acknowledge the many efforts Uruguay has made to control and eradicate FMD within its departments since the interim rule was published, we have received no data suggesting that our disease classification of the country is in error, or supporting the return of Uruguay to FMD-free status.

However, we note that while it was necessary to remove Uruguay from the list in § 94.1(a)(2) of regions that are declared to be free of both FMD and rinderpest, the disease situation that led to that action involved only FMD. Therefore, it is possible to include Uruguay on the list of regions declared to be free of rinderpest. Accordingly, this final rule amends § 94.1(a)(3) by adding Uruguay to the list of regions declared to be free of rinderpest.

Therefore, for the reasons given in the interim rule and in this document, we are adopting the interim rule as a final rule, with the change discussed in this document.

This final rule also affirms the information contained in the interim rule concerning Executive Order 12866

and the Regulatory Flexibility Act, Executive Order 12988, and the Paperwork Reduction Act.

Further, for this action, the Office of Management and Budget has waived its review under Executive Order 12866.

#### List of Subjects in 9 CFR Part 94

Animal diseases, Imports, Livestock, Meat and meat products, Milk, Poultry and poultry products, Reporting and recordkeeping requirements.

■ Accordingly, the interim rule amending 9 CFR part 94 that was published at 66 FR 36695–36697 on July 13, 2001, is adopted as a final rule with the following change:

#### **PART 94—RINDERPEST, FOOT-AND-MOUTH DISEASE, FOWL PEST (FOWL PLAGUE), EXOTIC NEWCASTLE DISEASE, AFRICAN SWINE FEVER, CLASSICAL SWINE FEVER, AND BOVINE SPONGIFORM ENCEPHALOPATHY: PROHIBITED AND RESTRICTED IMPORTATIONS**

■ 1. The authority citation for part 94 continues to read as follows:

**Authority:** 7 U.S.C. 450, 7701–7772, 7781–7786, and 8301–8317; 21 U.S.C. 136 and 136a; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, 371.4.

■ 2. In § 94.1, paragraph (a)(3) is revised to read as follows:

#### **§ 94.1 Regions where rinderpest or foot-and-mouth disease exists; importations prohibited.**

(a) \* \* \*

(3) The following regions are declared to be free of rinderpest: Namibia, the Republic of South Africa, and Uruguay.

\* \* \* \* \*

Done in Washington, DC, this 7th day of November 2007.

**Kevin Shea,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. E7–22091 Filed 11–9–07; 8:45 am]

**BILLING CODE 3410–34–P**

#### **DEPARTMENT OF TRANSPORTATION**

#### **Federal Aviation Administration**

#### **14 CFR Part 21**

[Docket No. FAA–2006–25877; Amendment No. 21–91]

**RIN 2120–AI78**

#### **Production and Airworthiness Approvals, Part Marking, and Miscellaneous Proposals**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** The FAA is amending its requirements to allow the issuance of export airworthiness approvals for Class II and III products located at facilities outside the United States. The FAA proposed this change in a Notice of Proposed Rulemaking (NPRM) issued on October 5, 2006. That NPRM proposed comprehensive changes to 14 CFR part 21 to standardize production and airworthiness requirements for production approval holders. This final rule expedites the promulgation of a simple and uncontroversial portion of that rulemaking. The FAA intends to issue a separate final rule on other proposals in that NPRM.

**DATES:** This amendment becomes effective January 14, 2008.

**FOR FURTHER INFORMATION CONTACT:** For technical questions concerning this final rule, contact John Linsensmeyer, Production Certification Branch, AIR–220, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone (202) 493–5571; facsimile (202) 267–5580, e-mail [john.linsensmeyer@faa.gov](mailto:john.linsensmeyer@faa.gov).

#### **SUPPLEMENTARY INFORMATION:**

#### **Authority for This Rulemaking**

Under the laws of the United States, the Department of Transportation has the responsibility to develop transportation policies and programs that contribute to providing fast, safe, efficient, and convenient transportation (49 U.S.C. 101). The Federal Aviation Administration (FAA or “we”) is an agency of the Department. The FAA has general authority to issue rules regarding aviation safety, including minimum standards for appliances and for the design, material, construction, quality of work, and performance of aircraft, aircraft engines, and propellers (49 U.S.C. 106(g) and 44701). We may also prescribe regulations in the interest of safety for registering and identifying an aircraft engine, propeller, or appliance (49 U.S.C. 44104).

The FAA may issue, among other things, type certificates, production certificates and airworthiness certificates (49 U.S.C. 44702). We issue a production certificate authorizing the production of a duplicate of an aircraft, aircraft engine, propeller, or appliance for which a type certificate has been issued when we find the duplicate will conform to the certificate. We may include in a production certificate terms required in the interest of safety. We issue an airworthiness certificate for an aircraft when we find the aircraft conforms to its type design and is in condition for safe operation. We may include in an airworthiness certificate

terms required in the interest of safety (49 U.S.C. 44704).

This document adopts a change to our regulations governing the certification procedures for products and parts. This change will make it easier for manufacturers to produce and obtain aircraft parts in the global marketplace, which should aid the efficiency and competitiveness of the industry. For these reasons, this final rule is a reasonable and necessary exercise of the FAA's rulemaking authority and obligations.

### Background

On October 5, 2006, the FAA issued an NPRM to amend its certification procedures and identification requirements for aeronautical products and parts (71 FR 58914). Included in that NPRM was a proposed change to § 21.325(b)(3) to allow an export airworthiness approval to be issued for a *product or article* located outside of the U.S. if the FAA finds no undue burden in administering its regulations (Emphasis added). One aspect of the proposed change was to substitute the words "product or article" for "Class II and III products." This change was part of a comprehensive effort to standardize terminology throughout part 21. Because the NPRM has not yet been adopted, this final rule allows for the issuance of export airworthiness approvals outside the U.S., but it retains the reference to "Class II and III products."

### Summary of Comments

The FAA received one comment on our proposed changes to the regulations affecting export airworthiness approvals. The Aviation Suppliers Association noted that the proposal still imposes an obligation to apply to the FAA for the "no undue burden" analysis. In the commenter's view, such an analysis is not necessary. Designated Airworthiness Representatives (DARs) must already receive permission to operate outside his or her geographic region. If the DAR has the authority to operate and make findings outside the U.S., then the DAR should also be permitted to issue an export airworthiness approval. An "undue burden analysis" would be duplicative and a waste of Government resources. The commenter recommends removal of the "undue burden analysis."

The FAA disagrees with the commenter. Pursuant to Title 49 of the United States Code, the Administrator of the FAA may delegate to a qualified private person a matter related to the examination, testing, and inspection necessary to issue a certificate.

However, these assignees work on behalf of the Administrator. Ultimately, the FAA has a statutory responsibility to inspect products and determine their airworthiness status. We use the undue burden determination to ensure, with FAA's limited resources, we can meet the requirements of Title 49; our obligations under that statute cannot be circumvented by application of a rule.

### Discussion of the Final Rule

Part 21, Subpart L contains regulations for exporting aviation products. This rulemaking amends the regulations governing how export airworthiness approvals for Class II and III products are issued. Export airworthiness approvals are used to identify the airworthiness status of a particular product. Specifically, export airworthiness approvals attest that a particular product conforms to the approved design and is in a condition for safe operation. These approvals provide a certain level of assurance that a product or part that has been placed in the aviation stream of commerce poses a negligible risk to the flying public. They serve both civil aviation authorities approving the products for import and the end-user who places them into service. Although export approvals are required only when requested by the importing civil airworthiness authority, these documents have become increasingly valued in the aviation industry. Products and parts with an airworthiness approval have increased sales potential over those same parts that do not have an approval.

This rulemaking amends Subpart L to allow the issuance of export airworthiness approvals for Class II and III products, regardless of their location. Previously, the rule only permitted approvals to be issued for these products manufactured and located in the United States.

When § 21.325(b)(3) was adopted (30 FR 8465, Jul. 2, 1965), the international market for aviation products was minimal compared with today's international market. Additionally, FAA resources were limited for issuing export airworthiness approvals outside the United States. However, FAA designees are now available to issue export airworthiness approvals for production approval holders (PAHs) and other exporters. This rulemaking relieves the past restriction on issuing approvals, as well as the public's burden of petitioning for exemptions, by allowing export airworthiness approvals to be issued for any Class II or Class III product located in another country, if the FAA finds no undue burden in

administering its requirements. Consequently, a PAH may direct ship its products from a supplier facility without first shipping the product to the United States to obtain an export airworthiness approval.

Certificate management and designee oversight responsibilities are examples of potential burdens on the FAA. For the PAHs, the assessment of undue burden related to issuing an export airworthiness approval would be performed during the FAA's undue burden assessment of a prospective production facility located outside the United States. Part of this assessment is a determination by the FAA that the PAH has established and implemented supplier control procedures that are acceptable to the FAA.

The FAA has granted many petitions for exemption to § 21.325(b)(3), and this rulemaking will resolve the direct-ship issue that prompted organizations to request them. Expediting this rulemaking results in a more efficient disposition of those petitions for exemption.

For the reasons stated above, this final rule adds new paragraph § 21.325(b)(4) which allows export airworthiness approvals to be issued for Class II and III products located outside of the United States if the FAA finds no undue burden in administering the applicable requirements of Title 49 U.S.C. and subchapter C of Title 14 of the Code of Federal Regulations.

### Paperwork Reduction Act

Information collection requirements associated with this final rule have been approved previously by the Office of Management and Budget (OMB) under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), and have been assigned OMB Control Number 2120-0721.

An agency may not collect or sponsor the collection of information, nor may it impose an information collection requirement unless it displays a currently valid Office of Management and Budget (OMB) control number.

### International Compatibility

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to comply with International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. The FAA has determined that there are no ICAO Standards and Recommended Practices that correspond to this final rule.

### Regulatory Evaluation, Regulatory Flexibility Determination, International Trade Impact Assessment, and Unfunded Mandates Assessment

Changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 directs that each Federal agency shall propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 (Public Law 96–354) requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (Public Law 96–39) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, this Trade Act requires agencies to consider international standards and, where appropriate, that they be the basis of U.S. standards. Fourth, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of \$100 million or more annually (adjusted for inflation with base year of 1995).

In conducting these analyses, FAA has determined that this final rule: (1) Has benefits that justify its costs, (2) is not an economically “significant regulatory action” as defined in section 3(f) of Executive Order 12866, (3) is not “significant” as defined in DOT’s Regulatory Policies and Procedures; (4) will not have a significant economic impact on a substantial number of small entities; (5) will not create unnecessary obstacles to the foreign commerce of the United States; and (6) will not impose an unfunded mandate on state, local, or tribal governments, or on the private sector by exceeding the threshold identified above. These analyses are summarized below.

#### Regulatory Evaluation Summary

This portion of the preamble summarizes the FAA’s analysis of the economic impact of this rule. It also includes summaries of the final regulatory flexibility analysis, international trade impact assessment, and the unfunded mandate assessment. For more information, we suggest readers go to the full regulatory evaluation, a copy of which we have placed in the docket for this rulemaking.

#### Total Costs and Benefits of This Rulemaking

This Regulatory Evaluation examines the impact of an FAA rule allowing for the issuance of export airworthiness approvals for Class II (major components) and Class III (parts and components) products located at facilities outside the United States. Export airworthiness approvals are required by the FAA only if required by the importing country. Consequently, there is no issue of “market failure”, at least from the perspective of the United States.

As this rule relieves regulatory burden, there are cost-relieving benefits and no costs. The FAA estimates the annual cost savings from this rule to be \$11,867,500. As the rule is a procedural change with no front-loaded costs, we use a 10-year period of analysis. Discounting this stream of annual cost savings (at 7%) for ten years yields a present value of approximately \$83 million.

#### Who Is Potentially Affected by This Rulemaking

This rule potentially affects directly all production approval holders, including holders of Production Certificates, Technical Standard Order Authorizations, and Parts Manufacturer Approvals. The rule also potentially affects distributors, importers and exporters of airplane parts, air operators and carriers, and the flying public.

#### Assumptions

This evaluation makes the following assumptions:

- This rule would become effective on January 1, 2008.
- The discount rate is 7 percent (Office of Management and Budget, Circular A–94, “Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs”, October 29, 1992, p. 8).
- The period of analysis is the 10-year period, 2008–2017.
- For purposes of discounting, cost savings are conventionally assumed to occur at the end of the year. (If assumed to occur at the beginning of the year, the discounted present value of the cost savings increases by 7%.)

#### Changes From the NPRM to the Final Rule

- The effective date of the rule changes from 18 months after publication in the **Federal Register** to effective on January 1, 2008.
- The period of analysis changes from 2009–2018 to 2008–2017.
- The base year changes from 2005 to 2008.

#### Benefits of This Rulemaking

The FAA estimates the present discounted value of the benefits of this rule to be approximately \$83 million.

#### Costs of This Rulemaking

As this rule relieves regulatory burden, there are no costs of this rule.

#### Alternatives Considered

The Status Quo—The status quo represents a situation in which the FAA would continue to issue exemptions from § 21.325(b)(3) indefinitely. As that would perpetuate “rulemaking by exemption,” we choose not to continue with the status quo.

#### Final Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (Pub. L. 96–354) (RFA) establishes “as a principle of regulatory issuance that agencies shall endeavor, consistent with the objectives of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the businesses, organizations, and governmental jurisdictions subject to regulation. To achieve this principle, agencies are required to solicit and consider flexible regulatory proposals and to explain the rationale for their actions to assure that such proposals are given serious consideration.” The RFA covers a wide-range of small entities, including small businesses, not-for-profit organizations, and small governmental jurisdictions.

Agencies must perform a review to determine whether a rule will have a significant economic impact on a substantial number of small entities. If the agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the RFA. However, if an agency determines that a rule is not expected to have a significant economic impact on a substantial number of small entities, section 605(b) of the RFA provides that the head of the agency may so certify and a regulatory flexibility analysis is not required. The certification must include a statement providing the factual basis for this determination, and the reasoning should be clear.

The Initial Regulatory Flexibility Analysis of the rules proposed in the NPRM found a significant economic impact on a substantial number of small entities. This result was reported in the NPRM and the full IRFA was placed in the docket (FAA–2006–25877), along with the Initial Regulatory Analysis, and was also published in the **Federal Register** (72 FR 6968, February 14, 2007). This final rule, however, is cost relieving and, therefore, imposes no

economic cost on small entities. Moreover, we did not receive any comments regarding the small entity impact of this part of the NPRM. Therefore as the Acting FAA Administrator, I certify that this rule will not have a significant economic impact on a substantial number of small entities.

#### *International Trade Impact Assessment*

The Trade Agreements Act of 1979 (Pub. L. 96–39) prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Legitimate domestic objectives, such as safety, are not considered unnecessary obstacles. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards. The FAA has assessed the potential effect of this final rule and determined it would promote international trade by reducing the cost of export airworthiness approvals for Class II products (major components) and Class III products (parts and components).

#### *Unfunded Mandates Assessment*

Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires each Federal agency to prepare a written statement assessing the effects of any Federal mandate in a proposed or final agency rule that may result in an expenditure of \$100 million or more (adjusted annually for inflation with the base year 1995) in any one year by State, local, and tribal governments, in the aggregate, or by the private sector; such a mandate is deemed to be a “significant regulatory action.” The FAA currently uses an inflation-adjusted value of \$128.1 million.

This final rule does not contain such a mandate. The requirements of Title II do not apply.

#### **Executive Order 13132, Federalism**

The FAA has analyzed this final rule under the principles and criteria of Executive Order 13132, Federalism. We determined that this action will not have a substantial direct effect on the States, or the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government, and, therefore, does not have federalism implications.

#### **Environmental Analysis**

FAA Order 1050.1E identifies FAA actions that are categorically excluded from preparation of an environmental

assessment or environmental impact statement under the National Environmental Policy Act in the absence of extraordinary circumstances. The FAA has determined this rulemaking action qualifies for the categorical exclusion identified in paragraph 308(b) and involves no extraordinary circumstances.

#### **Regulations That Significantly Affect Energy Supply, Distribution, or Use**

The FAA has analyzed this final rule under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (May 18, 2001). We have determined that it is not a “significant energy action” under the executive order because it is not a “significant regulatory action” under Executive Order 12866, and it is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

#### **Availability of Rulemaking Documents**

You can get an electronic copy of rulemaking documents using the Internet by—

1. Searching the Federal eRulemaking portal at <http://www.regulations.gov>;
2. Visiting the FAA's Regulations and Policies Web page at [http://www.faa.gov/regulations\\_policies/](http://www.faa.gov/regulations_policies/); or
3. Accessing the Government Printing Office's Web page at <http://www.gpoaccess.gov/fr/index.html>.

You can also get a copy by sending a request to the Federal Aviation Administration, Office of Rulemaking, ARM–1, 800 Independence Avenue, SW., Washington, DC 20591, or by calling (202) 267–9680. Make sure to identify the amendment number or docket number of this rulemaking.

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477–78) or you may visit <http://DocketsInfo.dot.gov>.

#### **Small Business Regulatory Enforcement Fairness Act**

The Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 requires FAA to comply with small entity requests for information or advice about compliance with statutes and regulations within its jurisdiction. If you are a small entity and you have a question regarding this document, you

may contact your local FAA official, or the person listed under the **FOR FURTHER INFORMATION CONTACT** heading at the beginning of the preamble. You can find out more about SBREFA on the Internet at [http://www.faa.gov/regulations\\_policies/rulemaking/sbre\\_act/](http://www.faa.gov/regulations_policies/rulemaking/sbre_act/).

#### **List of Subjects in 14 CFR Part 21**

Aircraft, Certification procedures for products and parts, Export airworthiness approvals.

#### **The Amendment**

■ In consideration of the foregoing, the Federal Aviation Administration amends Chapter I of Title 14, Code of Federal Regulations as follows:

#### **PART 21—CERTIFICATION PROCEDURES FOR PRODUCTS AND PARTS**

■ 1. The authority citation for part 21 continues to read as follows:

**Authority:** 42 U.S.C. 7572; 49 U.S.C. 106(g), 40105, 40113, 44701–44702, 44707, 44709, 44711, 44713, 44715, 45303.

■ 2. Amend § 21.325 by adding new paragraph (b)(4) to read as follows:

#### **§ 21.325 Export airworthiness approvals.**

\* \* \* \* \*

(b)\* \* \*

(4) Class II and III products located outside of the United States if the FAA finds no undue burden in administering the applicable requirements of Title 49 U.S.C. and this subchapter.

\* \* \* \* \*

Issued in Washington, DC, on November 6, 2007.

**Robert A. Sturgell,**  
*Acting Administrator.*

[FR Doc. E7–22111 Filed 11–9–07; 8:45 am]

**BILLING CODE 4910–13–P**

#### **DEPARTMENT OF TRANSPORTATION**

#### **Federal Aviation Administration**

#### **14 CFR Part 39**

[Docket No. FAA–2007–28828; Directorate Identifier 2007–NM–010–AD; Amendment 39–15258; AD 2007–23–12]

**RIN 2120–AA64**

#### **Airworthiness Directives; Boeing Model 707 Airplanes and Model 720 and 720B Series Airplanes**

**AGENCY:** Federal Aviation Administration (FAA), Department of Transportation (DOT).

**ACTION:** Final rule.