Japan Livestock By product Association Kamiya-cho Square Building 4th Flour 1-7-3 Azabudai, Minato-Ku, Tokyo 106-0041 Japan

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FSIS Docket Clerk, Docket #03-025IF Room 102, Cotton Annex, 300 12<sup>th</sup> and C Street, SW Washington, DC 20250-3700.

Dear Sirs,

Japan Livestock By-product Association, an aggregate corporation that was established under the approval of the Ministry of Agriculture, Forestry and Fisheries, is making a comment regarding specified risk materials (SRM) you mentioned on final interim rule. Our association, aiming at effective use of livestock by-products, engages in modernization of their distribution, rationalization of production and promotion of sales. Our members are rendering manufacturers, hide & skin manufacturers and edible by-product manufacturers and wholesalers.

Since the first BSE-infected cow was found in Japan in 2001, our government had established various measures. Testing of all cattle is the first. Then, it is legislated that SRM, which are the skull, the spinal code and the distal ileum, of all cattle shall be removed and destroyed by fire. Furthermore, meat and bone meal (MBM) was prohibited from their distribution. These measures are still in effect and cause several problems among our members.

Rendering manufactures have to manufacture MBM only to destroy them at the incineration facilities they managed to find, which were not needed formerly when MBM was used for animal feed. All these are conducted as the government project with no less than \$490 million of subsidies. Introduction of 100% testing made the manufactures difficult to get the edible by products out of slaughterhouse on the slaughtered day, as the test result requires 5 hours to be shown. It causes many problems such as loss of freshness in the products. They demonstrate that the single detection of BSE-infected cow takes enormous money, time and effort to establish safeguards.

On December 23,2003, a BSE-infected cow was found in the USA. The Federal Register in which several organs are designated as SRM was published on January 12, 2004, following the Secretary's announcement of additional policies against BSE. We would like to comment on the removal of SRM, especially the distal ileum, which is a part of your safeguards.

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As mentioned above, in Japan, SRM of all cattle was excluded and incinerated since October 18, 2001. The distal ileum, which is originally about 1 meter from junction of the cecum, is now cut off at 2 meters from junction to ensure the safety. This procedure is done before processing the entire intestines and the removed 2 meters of the distal ileum is put in an exclusive box to be incinerated. Whereas, remaining 30 meters or more of small intestine is distributed as safe food after washing and processing. We find no technical difficulties in removing the distal ileum from the small intestine.

The intestines are not used for human food in the USA; so all the intestines saved there are for export only, such as Japan and Korea. It would not be better idea to dispose of value added edible intestine, reluctant to separate 2 meters inedible part, because saving intestine has a possibility of making good profit. We have a custom to eat beef digestive organ in Japan, mainly in manner of barbequing and cooking. Especially, all intestines (i.e. the small intestine, the large intestine, the cecum and the rectum) are utilized as foodstuff.

Limited number of Japanese cattle provides Japanese market with only a fourth of their needs for beef variety meat. We have to make up with the shortage with imported beef and 80% of them are occupied by the US beef. This figure shows that Japanese variety meat industry cannot sustain without the livestock resources the USA provides. We would like you to understand that your decision will have a significant impact on our lives. That is the reason we have decided to make a comment to the US governmental agency.

Permitting the production of the small intestine without the distal ileum will not only save Asian food industries but also profit the US livestock industry through effective usage of livestock resources. We would like you to consider our comment to amend the Federal Register that bans the small intestine from human consumption.

Sincerely,

Minoru Haneda

Chairman

Japan Livestock By-product Association

Minosu Wan