Export subsidy for soybean oil?

U.S. officials in June were considering a USDA proposal to include soybean oil as part of the U.S. Export Enhancement Program (EEP).

After several weeks of debate, a U.S. government interagency panel in early June rejected a USDA proposal to target Turkey, Tunisia, Morocco and India to receive a total of 150,000 metric tons (MT) of U.S. soybean oil through EEP. USDA officials in Washington, however, said the proposal would be reconsidered by the Trade Policy Review Group, a higher governmental level, later in the month.

The working group considering USDA's proposal objected that it did not believe the proposal clearly met EEP's goal of targeting countries in which subsidized products from other countries have an advantage over U.S. exports.

The USDA proposal was prompted by a request in late April from the National Soybean Processor's Association (NSPA) for Targeted Export Assistance (TEA) funds. NSPA had sought TEA funding for 225,000 MT of soybean oil valued at $55.4 million, 50,000 MT of soybean meal valued at $13.8 million and $15,000 worth of technical assistance, to be channeled to Turkey, Tunisia, Morocco, India, Bangladesh and Egypt. As provisions for Bangladesh and Egypt were for donations requiring cargo preference, they were not included in the proposal by USDA. However, USDA adopted the price buy-down portion of NSPA's TEA request in a proposal for inclusion in the Export Enhancement Program.

The 1985 Farm Bill authorizes the Secretary of Agriculture to use $110 million a year to counter or offset adverse effects on U.S. agricultural exports. Under buy-down, the price of a product exported to selected nations is subsidized to compete.

In January, the American Soybean Association (ASA) submitted a request similar to NSPA's in which it sought $30 million in soybean oil certificates under the TEA program to counter competition and expand soybean oil markets in Japan and Western Europe. According to Randy Green, Washington lobbyist for ASA, ASA sought the TEA funding for a consumer information campaign to promote soybean oil usage in Japan and Europe. Green said ASA was hopeful that its request would be approved, perhaps during July.

Standards may be amended

The Chocolate Manufacturers Association has told the Food and Drug Administration (FDA) that it will file a petition to amend existing U.S. standards for chocolate products. The trade group announced its intention in response to FDA's request for comments on whether U.S. food standards for chocolate and cocoa products should be amended to conform to Codex Alimentarius standards.

However, the Chocolate Manufacturers Association said it does not support the wholesale adoption of the Codex Alimentarius standards for chocolate and cocoa products as it feels not all aspects of the Codex standards are necessary or desirable for the U.S. Replacing existing U.S. standards with the Codex standards, the group said, "would amount to a radical change in the format of the standards and in changes in nomenclature which might lead to confusion within and outside government over their proper interpretation."

The group said it plans to petition the FDA to amend the U.S. standards because some changes are needed as a result of new processing techniques, changing consumer preferences and the availability of new and alternate ingredients, which have come about since U.S. chocolate standards were drawn up over 40 years ago. Details: *Food Chemical News,* June 9, 1986, pp. 46–47.

Soak with care, FDA warns kids

The Food and Drug Administration has issued a rule requiring directions for safe use and cautionary statements on all foaming detergent bath products that are not clearly labeled exclusively for adult use. The rule, issued in the June 5, 1986, issue of the *Federal Register,* is to take effect June 5, 1987.

Under the rule, products which are not labeled "Keep out of reach of children" or "For adult use only" must include a statement cautioning that excessive use of or prolonged exposure to foaming detergent bath products such as bubble baths, foaming bath oils and foaming bath powder may cause skin irritation and urinary tract irritation.

In 1980, FDA originally published a regulation, to go into effect in August 1981, requiring all foaming detergent bath product labels to include a cautionary statement and adequate directions for their safe use. However in June 1981, FDA announced its intention to stay the regulation; in 1983, action was again postponed when FDA announced an interim stay of the effective date of the regulation.

FDA received 17 comments on the proposed action: six in favor of the cautionary statement, ten against the regulation and one advocating a ban. Among those opposing the regulation were the Cosmetic, Toiletry and Fragrance Association Inc. and the Independent Cosmetic Manufacturers and Disbributors.

In making its final rule, FDA imposed the regulation for children's foaming detergent bath products and any product not specifically indicated as intended for use only by adults. However, it exempted products clearly labeled for adult use only. Details: *Federal Register,* June 5, 1986, pp. 20471–20475.

EPA proposes industry survey

The Environmental Protection Agency (EPA) has proposed that the food processing industry be surveyed to determine the composition and quantity of all food processing products and waste by-products that can potentially be fed to livestock.

EPA explained that by surveying the industry, the agency can more adequately assess the levels of pesticide residues in meat, fat, milk, poultry and eggs. The effort calls for developing a survey; making up a list of food processors by industry including canners, freezers, packers and preservers of fruits, vegetables and nuts, and processors of oil crops (except corn, soybeans, cottonseed and peanuts); and collecting, collating and analyzing the data. Details: *Food Chemical News,* June 2, 1986, p. 17.

USDA approves collaboration

USDA's Office of International Cooperation and Development (OICD) has announced it will collaborate with a number of agribusiness organizations to provide technical training courses and study tours for agriculturists from middle income countries under the auspices of the Cochran Middle Income Country Training Program.

The agency said current planning includes agreements with nine organizations; among these are the American Soybean Association, the American Seed Trade Association, the National Renderers Association and the U.S. Feed Grains Council. OICD said it has approximately $100,000 available for fiscal year 1986 for such technical courses and study tours.

For information, contact Nancy J. Croft, Contracting Officer, Management Services Branch, Office of International Cooperation and Development, USDA, Washington, DC 20250. Details: *Federal Register,* June 9, 1986, pp. 20861-20862.

FDA to clear five colors

The Food Drug Administration (FDA) is expected to give permanent approval for the use of five cosmetic, food and drug dyes this month.

In a notice in the *Federal Register* June 6, FDA said it will permanently list the provisionally listed color additives D&C Reds 8, 9 and 19, D&C Orange 17 and FD&C Yellow 6. The announcement came as FDA extended the provisional listings for the color additives from June 6 to August 6, to give the agency time to prepare documents explaining the conditions under which the color additives may be safely used.

FDA said it has concluded D&C Reds 8, 9, and 19 and D&C Orange 17 are safe for external drug and cosmetic uses, while FD&C Yellow 6 is safe for food, drug and cosmetic uses. In addition, D&C Reds 8 and 9 will be allowed for ingested drug and cosmetic uses but at significantly reduced concentrations.

The colors have been on the agency's provisional list since 1960 and have been used in products on the market since that time while awaiting the agency's review.

Meanwhile, in a second *Federal Register* notice published June 6, FDA terminated the provisional listing of the color additive D&C Red 37 for coloring externally applied drugs and cosmetics, effective June 6, 1986. This means this color may no longer be added to products. FDA said it took this action after the Cosmetic, Toiletry and Fragrance Association withdrew its petition for this color's use.

FDA noted that as supplies of alternative color additives may be difficult to obtain immediately, labeling stating that a product contains artificial color or specifically identifying D&C Red 37 may continue to be used with the uncolored product and products containing alternative colors until June 6, 1987, or until companies can obtain supplies and revised labels, whichever occurs first. Details: *Federal Register,* June 6, 1986, pp. 20786-20788.

More research on cholesterol

USDA and the National Institutes of Health's (NIH) National Heart, Lung and Blood Institute was slated to hold a public meeting July 1-3, 1986, on the "Impact of Dietary Cholesterol on Plasma Lipoproteins and Atherogenesis."

The meeting was part of the effort being made by USDA and NIH to comply with a provision of the 1985 Farm Bill mandating a literature search and identification of research needs in this area. An objective of the conference was to develop an agenda for cholesterol research and to discuss the effects of dietary cholesterol on low and high density lipoproteins. Details: *Food Chemical News,* June 9, 1986, p. 58.

Meanwhile, FDA's upcoming proposal on cholesterol labeling was being reviewed in late May by USDA officials. An FDA spokesman said the proposed rule would require that both cholesterol and fatty acids be included in nutrition labeling. Details: *Food Chemical News,* June 2, 1986, pp. 42-44.

In other research, tests are being conducted in the U.S. on a new method developed by University of Texas researchers to determine if a person has a genetic defect that can lead to excess production of low density lipoprotein (LDL). The test, if approved, would be most useful for young people with high serum cholesterol levels or family histories of early heart attacks.

The test checks for defective cholesterol genes. *The Wall Street Journal* in late May reported that Integrated Genetics Inc. of Framingham, Massachusetts, is seeking to license several genetic probe tests to detect other gene deficiencies affecting cholesterol. Details: *The Wall Street Journal*, May 29, 1986, p. 29.

In projects for fiscal 1987-88, the National Heart, Lung and Blood Institute's advisory council has approved a research initiative on ω-3 fatty acid's effects on thrombosis and cardiovascular disease as well as a research initiative on the effects of dietary factors on human lipoprotein structure and metabolism. Details: *Food Chemical News*, June 2, 1986, p. 2.

Formula for cotton prices

In a final rule published June 6, 1986, USDA prescribed a formula for determining the prevailing world market price for 1986-1990 crops of upland cotton.

USDA said it would use a five-day average of the northern Europe price quotations as the basis for determining the prevailing world market price for upland cotton. If no northern European price quotations are available for any Friday through Thursday period, USDA added, the prevailing world market price shall be based upon the best available world price information, as determined by the U.S. Secretary of Agriculture.

The rule, published in the *Federal Register*, pp. 20643-20645, also outlines the procedure for periodically announcing the adjusted world price.

Tolerance levels not required

The U.S. Supreme Court, by an eight-to-one vote June 17, overturned an appeals court ruling that would have required the federal Food and Drug Administration to regulate poisons in food, including natural ones, through formal tolerance levels rather than informal action levels.

Attorneys for the food industry had told Supreme Court justices that the abundance and cost of the nation's food supply was at stake in the case. At issue was the regulation of unavoidable toxic materials in food, substances required in the food's production or those which cannot be avoided through good manufacturing practices. Prompting the question was a case involving aflatoxin in corn, for which there is no official tolerance level.

Two consumer groups, the Community Nutrition Institute and Public Citizen, sued FDA in 1981, seeking to force the agency to adopt formal aflatoxin tolerance levels after public hearings. The U.S. Court of Appeals, District of Columbia, ruled March 16, 1985, in favor of the consumer groups, saying that FDA must set tolerances for all environmental contaminants, including natural ones, in foods.

Writing for the Supreme Court, Justice Sandra Day O'Connor said the appeals court had wrongly imposed its interpretation of the Food, Drug and Cosmetic Act of 1938's "inherent ambiguity" on regulating poisons in foods.