

(WPT) U.S. Hopes Rule Change Will Aid Beef Trade1

+-----+

U.S. Hopes Rule Change Will Aid Beef Trade
2012-03-12 12:33:04.50 GMT

By Alan Bjerga

March 12 (Washington Post) -- The Agriculture Department plans to align its import guidelines on mad cow disease with international standards, opening the country's own market in an effort to boost overseas sales of American beef.

Under the proposed rule, the agency would adopt the same criteria used by the World Organization for Animal Health to identify a country's risk status for mad cow disease, also known as bovine spongiform encephalopathy (BSE). Some trading partners have cited inconsistencies between U.S. and international standards as reason to maintain restrictions on American beef imposed after the first U.S. case of the disease in 2003.

The changes "will prove invaluable at the negotiating table as we work to open markets," John Clifford, the USDA's chief veterinarian, said in a conference call Friday as he outlined the proposal. The new rule "seeks to bring our regulations in line with the most current scientific knowledge," he said.

Dozens of countries banned U.S. beef after the first case of mad cow disease was found in December 2003, causing exports to fall 84 percent the following year, according to the International Trade Commission. Nations including Japan and China have maintained restrictions ever since. Annual losses to livestock producers and meatpackers including Tyson Foods and Cargill ranged from \$2.5 billion to \$3.1 billion from 2004 through 2007, the trade commission has said.

A rule aligning the United States with international import standards would make it easier for negotiators to persuade other countries to follow the same rules and open markets to American beef, a bipartisan group of 31 senators wrote the Obama administration last month.

The sooner such a plan is adopted, "the sooner we will be able to give our international negotiators this important tool," the senators, including Charles E. Grassley (R-Iowa) and Ben Nelson (D-Neb.), said in the letter.

It would also open the United States to imports from countries where domestic restrictions may not match the standards set by the Paris-based World Organization for Animal Health, said Colin Woodall, a lobbyist with the National Cattlemen's Beef Association in Washington. The United States, the world's third-biggest beef exporter, after Australia and Brazil, has more to gain from encouraging exports than from import competition, he said.

The United States exported \$11.9 billion worth of red meat last year, more than double the \$5.4 billion in imports, USDA data show.

Cargill "fully supports the updating of USDA's rule," spokesman Michael Martin said in an e-mail. Tyson Foods referred requests for comment to the cattlemen's beef group.

The American Meat Institute, a trade group representing meatpackers including Tyson and JBS Swift & Co., said it had not seen the plan. Still, "using internationally recognized, science-based standards as the basis for trade facilitates exports and imports," benefiting consumers and producers, President J. Patrick Boyle said in an e-mail.

— Bloomberg News

-0- Mar/12/2012 12:33 GMT