

## Global Animal Health, Food Security & Trade Council Report

2011 NIAA Annual Conference

Tuesday, April 12, 2011



The Global Animal Health, Food Security & Trade Council met on Tuesday, April 12, 2011 from 1:30 pm to 5:00 pm during the 2011 NIAA Annual Conference in San Antonio, Texas with 34 people present. Co-Chairs were Dr. James McKean, Ms. Marcine Moldenhauer, Ms. Laurie Hueneke and Mr. Andrew Kennedy

**The committee session focused on MRLs and Traceability as Export Challenges for U.S. Meat Production. The following speakers presented relevant information pertaining to the following:**

**Ms. Marcine Moldenhauer, Meat Link Management LLC**, presented “Importance of Traceability in Protecting USA Export Trade.” **Canada** still has BSE, has a traceability system, and opened Asia before the U.S. post-BSE. **Australia** has no BSE, a traceability system, and is open to Europe. The **U.S. has strengths** in animal health and food safety systems and is active in WHO, OIE, and CODEX. There are questions regarding MRLs. The **U.S.’ weaknesses** include no formal ID system, 800,000+ producers, market segmentation and livestock movement, inconsistent messages and capabilities between industry and government, cost of traceability vs. other countries, and lack of consistent use of technologies. **Opportunities:** EV programs (30+) a packer can choose to participate in, emerging global markets, provide leadership for traceability standards, first in to a market — establish market value for traceability, vertical sharing of critical and marketable information. **Threats:** Other countries willingness and focus to meet new market traceability demands, foreign animal disease situations in U.S. that are not traceable or able to be contained quickly, industry take control of trade negotiation on acceptable verification process vs. government, MRLs – meat products and byproducts (tallow, feed). **Outlook of U.S. Meat Trade:** If we continue to fight ID, the beef industry shifts to Canada, mostly domestic market, loose global leadership status, loose global & domestic consumer confidence, and the timeline to catch up gets longer. Consumers expect traceability and are disappointed when they find out that it isn’t.

**Mr. Brian Bolton, CEO & President, Allflex, USA**, presented “Traceability and ID Systems Developing in USA Export Trade Competitors and Customers.” **Allflex:** Global drivers, food security, preserve local economy, market access – non-tariff trade barriers, OIE standards, sets standards. Customers, exporters. All 27 countries, cattle & sheep (some swine). Common rules, localized. Tagging at birth (3-14 days). **UK** paper passport system. Sheep are EID; cattle have double visual tags and no RFID. 800 people handling animal movements in UK, paper. In UK, 125 across CCIA, ATQ. In **Japan**, food safety is cultural; there are legal penalties — jail. **Thailand** is developing systems. **China** is doing a lot. **Australia** has mandatory cattle EID before movement off farm. 30 million movements per year recorded at over 99%. Moving to sheep (Victoria). **New Zealand** — exporter for dairy and sheep. In **Canada**, national ID has been mandatory since 2002 and EID since 2005. There are provincial differences — CCIA vs Quebec. ATQ cattle, sheep, pig, and goats – identified, movements are tracked. In 2012, sale yards are recording movements; western Canada is merging with ATQ. **South America** is a transitional, export competitor with 11 million cattle and 6 million people. **Uruguay** instituted mandatory EID and full traceability in 2011. **Brazil’s** export system mimics the EU; 2000 farms are on SISBOV system, similar to PVP. Traceability can be a trade barrier. **Argentina** there is mandatory ID and can only export 15% and could end up being an importer. In **Mexico**, SAGARPA is the program to promote rural stability, food safety and export capability. Organic dairy oriented & partially subsidized through tags. There are regional programs in Chihuahua. In the **U.S.**, Michigan became the first U.S. state with mandatory EID in March

of 2007. Split state status. More than 3 million cattle are EID tagged. Movement recording in sale yards & packing ships. NAIS plan. **Global Commonalities:** Demand, rules, how – standards for data, drop ship to 2 million farms. Food security is necessary for homeland security. **Sustainability:** We need to use more technology, not less. We will farm more intensively, not less. ID is the precursor. **Q's:** Japan has a 20 month age limit. Don't see the rule changing soon. Hope they will move to 24 month rule. Packers are getting more cattle that meet the requirements.

**Dr. Katherine Ralston, Public Health Veterinarian/Enforcement Investigations Analysis Officer, USDA/FSIS,** presented "USDA/FSIS Report: Trends in chemical residues in USA Food Animal Harvest." FSIS has 6,200 federal plants, 800 livestock slaughter. They inspect 150 million livestock. Safety and labeling, import, domestic, enforcement, education. Cattle, swine, poultry, and sheep. National Residue Program (NRP). FDA (tolerances), EPA, FSIS (establishment). Traceability is the key factor to protect meat and poultry supply. FSIS traces to animal origin. OPPD records information on residue violation information system. FDA investigates source of drug. RFID is important for the FSIS residue program. Metal tags and visual tags are not sufficient without access to records. Domestic sampling plan. Compounds in 2010 NRP, antibiotics (biggest occurrence), arsenic, lead, cadmium... FAST test in plant. Swab the beef kidney, a zone of inhibition which indicates antibiotic. Moving to KIS Test, which is faster and more accurate. Presumptive positive antibiotic. Dairy had very high positive rates, with veal next and followed by beef. Market hogs and sows had higher rates. Percentage of violations are very low. 23 violations out of 18,000 tests. Education and HAACP preventing violations. The FSIS Same Source Supplier Residue Violator Report can be found at <http://www.fsis.usda.gov/Science/Chemistry/index.asp#NRP>. Repeat violators are subject to enforcement. If they don't have HAACP program, they are subject to stricter enforcement. Discussion began between Dr. Ralston and attendees regarding back tags vs. RFID; it was suspended until after Dr. Steve Larsen's presentation.

**Dr. Steve Larsen, Director of Pork Safety, National Pork Board,** presented "Differing National Maximum Residue Levels (MRLs) and Their Impact on USA Export Trade." In terms of export numbers, 2008 has record levels, 2009 was hindered by H1N1, and it ramped up again in 2010. Japan is the largest customer, followed by Russia, China/HK, and Mexico. A 30% market share is growing to 40%. 25% of U.S. production in 2011 — biggest year ever. International MRLs. US vs. CODEX vs. export market, different methodologies, no standard approach, science vs. politics. When a country changes the MRL level, method, tissue, increases withdrawal time sometimes a little, sometimes a lot. This creates a trade barrier to exports. This is tough on veterinary medicine companies because they do not have data for all tissue types using all testing methods. It is hard on processors to manage requirements. Set PVP program to lowest common denominator, toughest MRL level. FARAD: Food animal residue, <http://www.farad.org/>; Swine Medications Forumulary: <http://swinemed.naccvp.com/>; International MRL Database: <http://www.mrlatabase.com/>; Pork Checkoff: <http://www.pork.org/Resources/214/MaximumResidueLimits.aspx>. Questions asked of Dr. Larsen and ensuing responses: How hard is the testing going to go? Tolerances on intestines, tongues, and eyes. Moving to tolerance by tissue. FDA will probably stick to muscle, fat and kidney. Zero tolerance on paline, controversial (ractopamine). Tetracycline tolerance, voluntary 14-day withdrawal period satisfies CODEX requirement. Russia is going to EU standards. FARAD has no funding and needs money to keep it going.

**Old Business:** None

**New Business:** None

**General discussion:** There was discussion around CODEX MRLs as well as around alternate identification rather than RFID. Dr. Ralston returned, but there were no questions.

**Committee Session adjourned at 4:27pm.**