

U.S. Allows Dairy Product Imports from Ma

First beef, now dairy products and pork: the U.S. imports animal products from 40 Foot-and-Mouth Disease countries

by Jim Eichstadt

U.S. livestock producers, beware! Beef is not the only imported animal product entering the U.S. – in many cases illegally – from countries infested with highly contagious Foot-and-Mouth Disease (FMD). USDA trade data show that, during the past four years, the U.S. imported pork from Columbia and a wide range of dairy products from some 40 countries that lack official FMD-free status, according to both the U.S. and global agencies that monitor animal diseases.

The imports of beef, pork, and some dairy products from infected countries pose a serious risk of transmitting the foot-and-mouth virus to U.S. livestock herds, including beef and dairy cattle, hogs, sheep, and goats.

The January 2014 issue of *The Milkweed* reported that beef imports apparently entered the U.S. illegally during 2012 and 2013 from China, a country with a long history of FMD outbreaks. The report cited USDA Foreign Agricultural Service trade data showing that imports of “Bovine Meat Cuts, Boneless, Not Processed, Frozen” (entered under U.S. tariff code 02023050) totaled 57,134.40 pounds during 2012 and 57,438.60 pounds during the first 11 months of 2013. China reported active outbreaks of FMD in livestock herds throughout the country during the period the beef imports occurred.

The FAS trade data also show that the U.S. imported 55,132.60 pounds of pork (“Frozen Meat Of Swine, Other Than Retail Cuts, Nesi” under U.S. tariff code 02032940) from Columbia, another FMD-infested country, during 2012. Like cattle, hogs are highly susceptible to foot-and-mouth disease. The FMD virus is easily transmitted by pork meat and remains viable for long periods of time in chilled and frozen pork.

Federal law bans FMD imports

Federal law prohibits the importation of beef and many other animal products from countries that are not listed as free from FMD – along with “mad cow” disease, rinderpest, and other serious animal diseases – due to the serious risks of contamination to U.S. livestock herds.

The federal ban on imports of animals and animal products from countries infested with FMD is authorized by The Animal Health Protection Act of 2001 (7 U.S.C. § 8301, et seq.) authorizes the Secretary of Agriculture to:

“... prohibit or restrict...the importation or entry” of animals and animal products “if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock.”

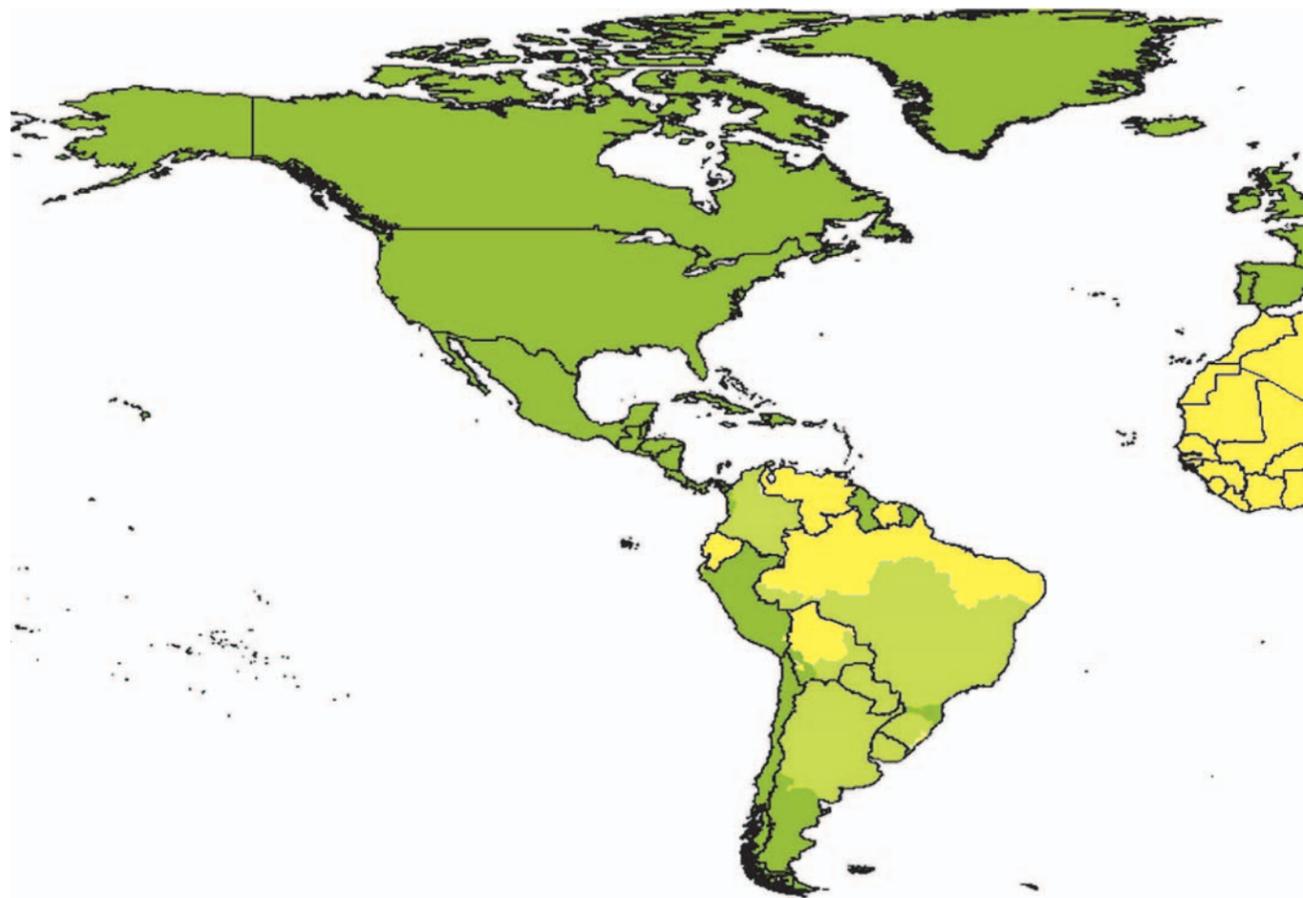
The prohibition on imports from countries that lack FMD-free status is further detailed in federal regulations. These rules, under 9 CFR §94.1, state, in part:

“(b) The importation of any ruminant or swine or any fresh (chilled or frozen) meat of any ruminant or swine¹ that originates in any region where rinderpest or foot-and-mouth disease exists, as designated in paragraph (a) of this section, or that enters a port in or otherwise transits a region in which rinderpest or foot-and-mouth disease exists, is prohibited: (See sidebar story on page 10.)

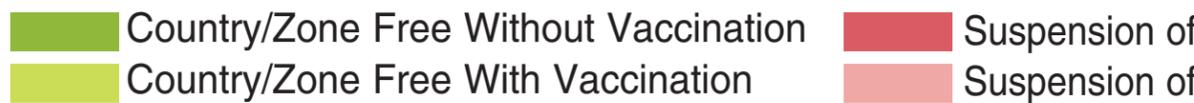
Dairy imports totaled \$205 million

A further search of the FAS Global Agricultural Trade System database in early February reveals another disturbing development: **More than \$205 million worth of dairy products from some 40 countries infested with FMD, including China, were imported into the U.S. between January 2010 and November 2013.** Since the units of measure for the imported products vary widely – metric tons, kilo-

OIE Member Countries’ Last Update N



Official FMD Status of Member Countries – Whole Count



grams, and liters – volume totals are less useful than total dollar values in making meaningful comparisons.

The dairy imports from the FMD-infested countries included cheese and curd, milk in concentrated and un-concentrated forms, buttermilk, whey, and other products. Some of those products are possible carriers for transporting the foot-and-mouth disease virus into the U.S.

The dairy product imports in question all originated from countries not included on the list of countries with FMD-free status as determined by global and U.S. animal health authorities.

Argentina tops the list

Argentina was the top source of the dairy imports in question – accounting for \$59.753 million worth or 29.1% of the products sourced from countries lacking FMD-free status. Argentina is not included in the list of FMD-free countries published by USDA’s Animal and Plant Health Inspection Service (APHIS), the lead federal agency responsible for protecting the health of U.S. livestock.

FMD-infested Argentina has long been a major source of questionable dairy products imported by Arthur Schuman, Inc. and other shady traders. As reported in November 2006 issue of *The Milkweed*, “Schuman is the largest importer of Italian-type cheeses into the U.S. from low-cost, low-tech, low-quality producers in South America and Eastern Europe. Schuman’s cheap cheese imports displace domestic milk and help put American farmers’ pay prices in the toilet.”

Other notable dairy exporting countries lacking FMD-free status include India (the world’s largest dairy producing nation), Brazil, South Korea, Russia, and China. (See complete list on page 9.)

While live animals and meat present the greatest risk of transmitting the FMD virus, there is also a risk of contamination from dairy products imported from countries where FMD is present. The U.S. and other developed countries allow imports of some cheeses and butter from countries that lack FMD-free status – based on the assessment that such products pose no disease risk. However, national animal health authorities have noted that some dairy products do pose a risk of FMD contamination. (See later in story.)

Highly contagious & economically devastating

Foot-and-Mouth Disease is among the most contagious and economically devastating of all livestock diseases. The FMD virus (*Aphthae epizooticae*) spreads rapidly by many carriers to cloven-hoofed animals, including cattle, swine, sheep, goats, and bison. Dozens of wildlife species, including deer, antelope, hedgehogs, elephants, and armadillos, are “vectors” (host organisms) for spreading FMD across state and national borders.

The FMD virus spreads like wildfire among livestock herds through contact with infected animals, by air and water, and by humans through contact with clothing, shoes, motor vehicles, farm machinery, livestock equipment, feed, and other objects.

The toll of an FMD outbreak is so fearsome due to the huge losses incurred, including the forced destruction of livestock herds over large areas and the costs of quarantines and trade embargoes. The 2001 FMD outbreak in the United Kingdom resulted in the loss of seven million head of cattle and hogs and \$13 billion in economic losses. Japan’s 2010 FMD outbreak – the second in a decade – destroyed 211,000 head of cattle and hogs at a cost exceeding \$3.5 billion.

FMD is top U.S. bioterrorism threat

An outbreak of FMD in the U.S., which has a much larger livestock industry than the UK or Japan, could cripple the nation’s rural economy and threaten national food security. **No wonder the U.S. Department of Homeland Security in March 2007 designated Foot and Mouth Disease as the nation’s top bioterrorism threat.**

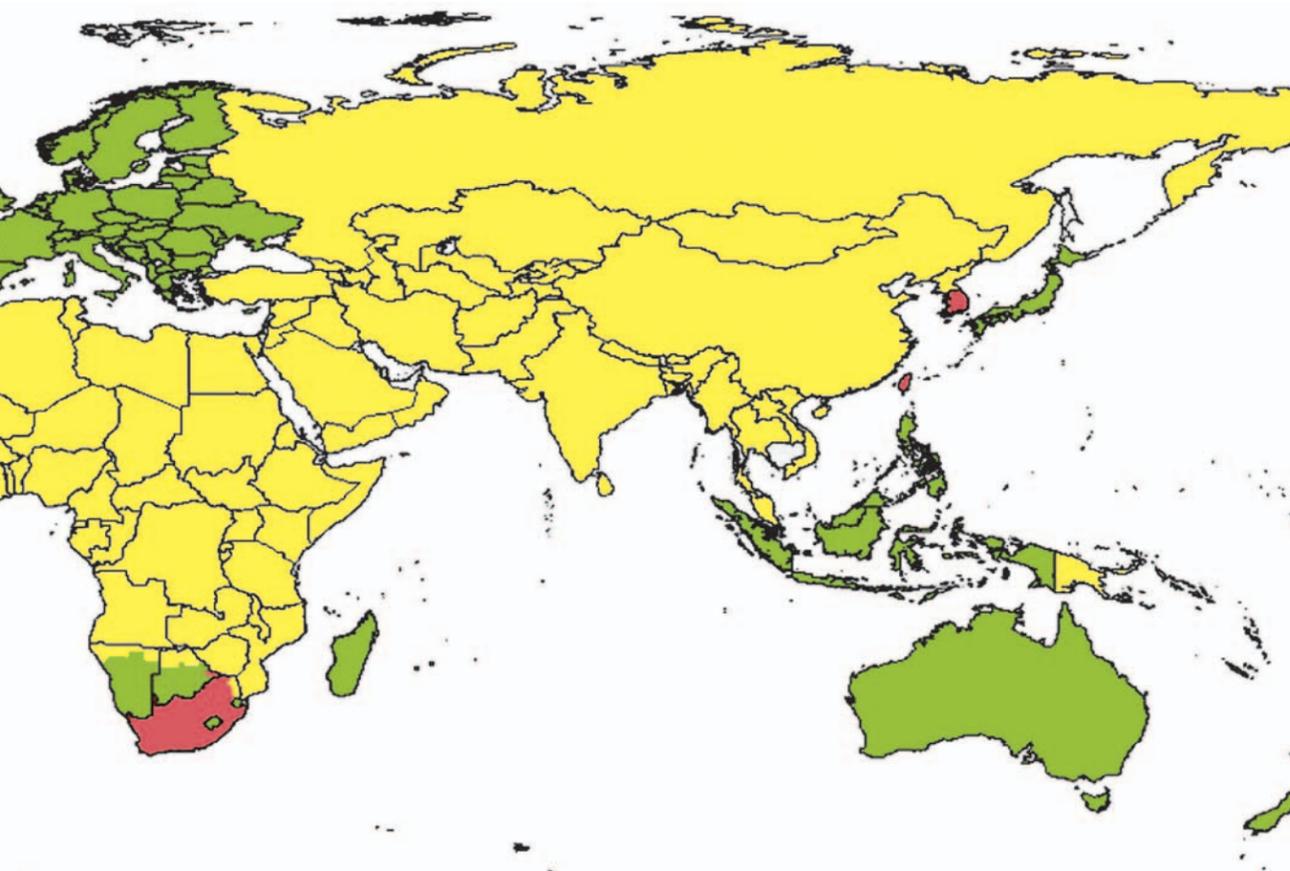
The risks of spreading FMD have skyrocketed with the rapid global movement of people and goods in the era of “Free Trade.” According to veterinary authorities in Australia – a major meat exporter – FMD remains viable “almost indefinitely” below freezing temperatures, making the virus stable in chilled or frozen meat – the forms most common in international trade. This fact underscores the importance of the U.S. ban on meat imports from FMD-contaminated countries like China, Argentina, and Brazil.

Human traffic is another critical “vector” for spreading FMD. One possible nightmare scenario could involve the FMD virus “hitch-hiking” on univer-

Many Countries with Foot-and-Mouth Disease

Official FMD Status Map

November 2013



Country or Zones(s)

Status Free Without Vaccination
Status Free With Vaccination

Containment Zone
No recognised Status

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city Extension livestock specialists travelling back and forth from the U.S., helping China modernize and expand its domestic dairy production. An even worse scenario would be the arrival of FMD on the boots of one or more of the thousands of international guests attending the World Dairy Expo, the annual event in Madison, Wisconsin that concentrates North America's top dairy herd genetics and personnel in one small area.

Countries lack FMD-free status

Globally, the list of FMD-free nations is officially designated by the Paris-based World Organization for Animal Health (known as the OIE from its French name, *Office international des épizooties*). In the U.S., federal regulations (9 CFR §94) require APHIS to maintain a list of countries declared free of foot-and-mouth disease. Unfortunately, both the OIE and APHIS lists show only the countries do not have FMD, leaving observers to "read between the lines" to reach their own conclusions. This "white list" approach is less useful and less informative than a "black list" that directly lists those countries that do have FMD.

APHIS has come under fire by livestock industry critics, who charge that the agency has failed to carry out its basic mission of protecting U.S. livestock herds from outside pestilence. Among the most vocal is R-CALF USA (Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America), the activist grassroots beef producers' group. R-CALF successfully blocked USDA efforts to lift import restrictions after the outbreak of Bovine Spongiform Encephalopathy ("mad cow" disease) in Canada. R-CALF supports stronger U.S. livestock safeguards, and stands in strong opposition to proposed APHIS rules that would allow "regionalized" beef imports from one part of Brazil, a major cattle-producing nation that lacks FMD-free status.

Critics believe that APHIS, like other key USDA agencies, is unduly influenced by the big meatpacker interests that dominate the National Cattlemen's Beef Association (NCBA), a conservative beef industry lobbying group funded in part by mandatory beef check-off dollars. JBS S.A. of Sao Paulo, Brazil – the largest meatpacker in the U.S. and the world – operates many beef, pork, and poultry plants and beef feedlots in the U.S. JBS and its cronies at NCBA and USDA have fought hard and dirty during the past decade to scuttle the mandato-

ry country-of-origin labeling (COOL) law for meat passed in 2002. Properly implemented COOL rules inform U.S. consumers of the country-of-origin of fresh beef, pork, and lamb sold at retail. Meatpackers and supermarkets that profit from cheaper foreign meat prefer that consumers not be bothered with the source of their burgers, chops, and steaks.

Even though Brazil lacks FMD-free status, the country exports dairy products to the U.S. and hopes to expand those exports to include beef as well. Despite the potential risk to U.S. livestock

producers, APHIS is currently proposing to allow beef imports into the U.S. from Brazil's State of Santa Catarina under a scheme called "regionalization." The risks of the APHIS "regionalization" scheme are evident due to uncontrollable movement of deer and other wildlife that transmit the foot-and-mouth virus across state and national borders.

How safe are dairy imports?

As required by federal law, USDA has specified various precautions to protect U.S. livestock from foreign disease threats, including some dairy products. The APHIS Web site states:

"A veterinary permit may be required to import certain meat and meat products (e.g., meat pies and prepared foods), poultry, milk, eggs, and dairy products (except butter and cheese) from countries with livestock diseases exotic to the United States." (Emphasis added.)

The dairy products imported from FMD countries extend beyond the "butter and cheese"

The risk assessment of FMD transmission via dairy products is a major concern outside the U.S. as well. In New Zealand – home of Fonterra, the world's largest dairy exporter – animal health authorities have noted the potential of dairy products to spread the FMD virus.

The *New Zealand Veterinary Journal* 50(2), 2002 stated:

"Products made from raw milk are recognised as potential vehicles for the spread of FMD. For example, the virus may survive for up to 2 months in dried casein. However, its survival in cheese made from raw milk depends on the pH achieved during manufacture; if the pH drops to 4.0, the virus is inactivated in seconds, while in cheeses which have a final pH of 6.0 the virus will not survive longer than 30 days. In cheeses that are cured at temperatures of not less than 2°C, the virus will not survive more than 120 days (Christensen 1998).

"New Zealand's very cautious approach to the risk of FMD introduction is reflected by the policy that dairy products may be imported from countries that have not been free from FMD for a period of 12 months only if they are made from milk that has been subjected to one of the following treatments prior to being used for manufacture: double HTST, HTST plus another treatment such as ultra-high temperature (UHT) or UHT treatment plus another

Continued on page 10

APHIS List of Countries/Regions Free of Foot-And-Mouth Disease (FMD) and Rinderpest

9 CFR 94.1 Last Modified: Oct 21, 2013

<ul style="list-style-type: none"> * Australia * Austria * Bahamas, The * Barbados * Belgium * Belize (British Honduras) * Bermuda * Brazil (Santa Catarina State only) * Canada * Channel Islands * Chili * Costa Rica * Czech Republic * Denmark 	<ul style="list-style-type: none"> Dominican Republic El Salvador * Estonia Fiji * Finland * France * Germany * Greece Greenland Guatemala Haiti Honduras * Hungary Iceland * Ireland, Republic of 	<ul style="list-style-type: none"> * Italy Jamaica * Japan * Latvia * Liechtenstein * Lithuania * Luxembourg (SIC) Mexico * Namibia (excluding the region north of the Veterinary Cordon Fence) * Netherlands, The New Caledonia New Zealand Nicaragua * Norway 	<ul style="list-style-type: none"> Panama * Papua New Guinea * Poland * Portugal * Slovakia * Slovenia * Spain St. Pierre and Miquelon * Sweden * Switzerland Trinidad and Tobago Trust Territories of Pacific Island * United Kingdom
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*Special categories CFR 94.11 (meat imports/land borders)
*SPECIAL CATEGORY REGARDING RINDERPEST AND FMD BECAUSE, EVEN THOUGH THE COUNTRY/AREA HAS BEEN DETERMINED BY THE USDA TO BE FREE OF RINDERPEST AND FMD, ONE OR MORE OF THE FOLLOWING CONDITIONS OCCUR:

- 1) They supplement their national meat supply through the importation of fresh, chilled, or frozen meat of ruminants or swine from countries/regions that are NOT designated in Title 9, CFR, Part 94.1(a) (hereafter known as The Regulations) as free of rinderpest or FMD; or
- 2) They have a common land border with countries/regions that are NOT designated in The Regulations as free of rinderpest or FMD; or
- 3) They import ruminants or swine from countries/regions that are NOT designated in The Regulations as free of rinderpest or FMD under conditions less restrictive than would be acceptable for importation into the United States.

Countries/Regions NOT Recognized Free of FMD but permitted to export fresh (chilled or frozen) beef under specific conditions: 9 CFR 94.22
Uruguay
Countries/Regions Free of Rinderpest: Brazil (Santa Catarina State only), Republic of South Africa, Uruguay

NOTE: The table above is modified only when there are changes to the disease status of countries or regions.

Dairy Imports from Many Countries with Foot-and-Mouth Disease, con't

Continued from page 9

treatment such as pH<6.0 for at least 1 h."

While some of the U.S. dairy imports in question – like cheese and curds – may not in every case pose a risk of carrying FMD, serious questions remain about the other products and broader compliance issues. Given the realities of international trade in meat and dairy products from countries that lack FMD-free status, the following questions must be asked:

- What are the risks from the cheese, butter, milk, natural milk whey, and buttermilk imported from countries infected with FMD?
- Given India's primitive sanitary standards and continuing problems with FMD, are Indian concentrated milk products and natural milk whey materials safe?
- Given APHIS' ambivalence about FMD safeguards – such as its proposal to allow "regionalized" beef imports from Brazil – are the necessary veterinary permits in place and updated?
- Does USDA properly inspect foreign dairy and meatpacking plants, on a regular, ongoing basis, to verify compliance and ensure product safety?

The APHIS list of countries lacking FMD-free status – from which the U.S. sourced dairy product imports in 2010, 2011, 2012 and 2013 – is printed on page 9 of this issue. The APHIS document reads like a "rogues' list" of nations lacking basic, modern dairy farm and dairy plant sanitary standards. Further, some of those nations play key roles in the international drug trade. Example: Afghanistan – which currently produces about 90% of the world's heroin supply – exported dairy products to the U.S. during 2012.

Global trade: the cold realities

Many developing and lesser-developed countries lacking FMD-free status also lack modern, sanitary facilities for producing milk and processing dairy products for export to the U.S. These countries – including India, China, Argentina, Brazil, and Russia – have failed for decades to eliminate FMD within their borders and don't appear to be making progress toward disease-free status. Dairy exporting countries in Asia, South America, and Africa are surrounded on all sides by FMD-infected neighbors. In such cases, the FMD virus moves easily across borders on humans, livestock, and wildlife.

Beyond the physical challenges, observers question whether these countries can be trusted to comply with U.S. import FMD regulations. Governments may be too corrupt, incompetent, and/or underfunded to ensure compliance with U.S. standards. These countries' dismal track records on livestock disease control and food sanitation provides scant assurance that the required APHIS veterinary permit process is adequate to ensure the safety of dairy products imported to the U.S. And, that's making the very big assumption that these countries are making good faith efforts to comply with the letter and spirit of U.S. rules.

Global agribusiness continues to push for the elimination of national border protections ("non-tariff trade barriers") to allow greater access to cheap inputs. Witness meatpacking giant JBS S.A.'s success in persuading APHIS to allow beef imports from FMD-infected Brazil under "regionalization" so it can procure cheaper foreign cattle.

UK horsemeat scandal

The lack of U.S. Government resources committed to protecting our borders only about 1% of imports are physically inspected – raises further questions about the safety of meat and animal product imports. Monthly "import detention lists" published by the U.S. Food and Drug Administration reveal just how unsanitary (listeria, rodent filth, spoilage, etc.) some agricultural imports can be, even from wealthy western European countries with sanitary standards equal to the U.S. The 2013 horsemeat scandal in the United Kingdom and Ireland shows the need for vigilance in policing agricultural imports, even within the safe confines of the European Union. DNA tests revealed that frozen foods containing "beef" imported other parts of the EU were adulterated with horsemeat. Regulators discovered that some big UK supermarket chains had sourced the adulterated meat from low-cost suppliers in Ireland, Spain, the Netherlands, and other modern, wealthy European countries. Imagine what is possible in less-advanced Third World countries.

A call to action ...

The lack of adequate U.S. biosecurity safeguards against FMD is appalling. Why would the U.S. Government violate its own laws and risk the public welfare by allowing meat and dairy product imports from known sources of FMD contamination? Could it be that some federal agencies like APHIS are committed to serving something other than the national interest? These are serious questions that deserve serious answers.

The protection of vital U.S. livestock resources from foreign diseases should be a top priority for all elected officials at the state and federal levels, regardless of political affiliation. Our national food security and the entire rural economy are at risk if FMD were introduced into the U.S. either by design (terrorism) or accident (lax enforcement). If crooked European traders seeking to make a quick euro could smuggle cheap horsemeat as beef into the U.K. for months undetected, imagine the harm a motivated terrorist could do smuggling a lethal virus into the U.S. just one time.

- Lawmakers and policymakers should act immediately to protect vital U.S. interests by:
 - Banning imports of all meat, dairy products, and other relevant animal products from countries that lack FMD-free status in whole or in part.
 - Amending federal regulations with new provisions that prohibit meat and dairy product imports from supposedly disease-free regions of countries that lack FMD-free status due to the risk of reinfection.
 - Reforming USDA policies, priorities, and programs to ensure that regulators follow the letter as well as the letter of the law;
 - Reducing the influence of the big meatpackers and other vested corporate interests in subverting the development and implementation of regulatory poli-

Chapter 04 Dairy Product Imports from Countries Lacking FMD-Free Status

USDA/FAS Area/Partners of Origin

Area/Partners of Origin	Values in Thousands			
	2010 Value	2011 Value	2012 Value	Jan - Nov 2013 Value
Argentina	\$18,615	\$18,651	\$16,688	\$5,799
Israel(!)	\$7,200	\$7,421	\$10,320	\$6,686
Peru	\$2,954	\$4,427	\$5,875	\$8,167
Turkey	\$2,414	\$2,102	\$3,713	\$5,466
Jamaica	\$2,602	\$3,568	\$3,162	\$2,106
India	\$3,761	\$2,696	\$2,625	\$1,323
Egypt	\$1,318	\$1,486	\$1,866	\$1,842
Brazil	\$1,218	\$1,309	\$1,192	\$966
Colombia	\$772	\$532	\$1,144	\$1,007
Bahrain	\$1,820	\$202	\$978	\$398
Philippines	\$382	\$392	\$566	\$523
Russia	\$211	\$360	\$318	\$245
Armenia	\$313	\$401	\$191	\$99
Jordan	\$140	\$330	\$120	\$104
Ecuador	\$0	\$0	\$87	\$72
Malaysia	\$165	\$0	\$87	\$90
Iran	\$7	\$0	\$80	\$0
United Arab Emirates	\$0	\$0	\$75	\$0
Bangladesh	\$21	\$35	\$70	\$71
Lebanon	\$99	\$39	\$34	\$0
Sri Lanka	\$7	\$21	\$31	\$23
Georgia	\$0	\$9	\$27	\$0
Fiji(!)	\$65	\$73	\$17	\$48
Other Pacific Islands, NEC(*)	\$65	\$73	\$17	\$48
Korea, South	\$21	\$37	\$16	\$3
China	\$8	\$3	\$14	\$0
Taiwan	\$0	\$0	\$12	\$3
Afghanistan	\$0	\$3	\$5	\$0
Kenya	\$0	\$3	\$3	\$4
Cape Verde(!)	\$0	\$0	\$0	\$6
Ethiopia(!)	\$3	\$8	\$0	\$0
Hong Kong	\$3	\$0	\$0	\$0
Pakistan	\$0	\$0	\$0	\$62
Saudi Arabia	\$210	\$44	\$0	\$0
Syria	\$170	\$0	\$0	\$0
Thailand	\$0	\$0	\$0	\$15
Namibia	\$0	\$0	\$0	\$0
West Bank(!)	\$0	\$0	\$0	\$9
Africa, not elsewhere specified(*)	\$0	\$0	\$0	\$6
Yemen(*)	\$0	\$0	\$0	\$34
Grand Total	\$51,768	\$51,657	\$59,653	\$41,923

Notes:

1. Data Source: U.S. Census Bureau Trade Data
2. All zeroes for a data item may show that statistics exist in the other import type. Consumption or General.
3. (*) denotes a country that is a summarization of its component countries.
4. (!) denotes a country which is summarized into its obsolete country.
5. Product Group : Harmonized

U.S. FMD-Related Import Regulations:

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

(a) APHIS considers rinderpest or foot-and-mouth disease to exist in all regions of the world except those declared free of one or both of these diseases by APHIS.

(1) A list of regions that APHIS has declared free of rinderpest and a list of regions APHIS has declared free of foot and mouth disease are maintained on the APHIS Web site at:

http://www.aphis.usda.gov/import_export/animals/animal_disease_status.shtml.

Copies of the list will also be available via postal mail, fax, or email upon request to the Sanitary Trade Issues Team, National Center for Import and Export, Veterinary Services, Animal and Plant Health Inspection Service, 4700 River Road Unit 38, Riverdale, Maryland 20737.

(2) APHIS will add a region to the list of those it has declared free of rinderpest or foot-and-mouth disease, or both, after it conducts an evaluation of the region in accordance with §92.2 of this subchapter and finds that the disease, or diseases, are not present. In the case of a region formerly on this list that is removed due to an outbreak, the region may be returned to the list in accordance with the procedures for reestablishment of a region's disease-free status in §92.4 of this subchapter. APHIS will remove a region from the list of those it has declared free of rinderpest or foot-and-mouth disease upon determining that the disease exists in the region based on reports APHIS receives of outbreaks of the disease from veterinary officials of the exporting country, from the World Organization for Animal Health (OIE), or from other sources the Administrator determines to be reliable.

(b) The importation of any ruminant or swine or any fresh (chilled or frozen) meat of any ruminant or swine¹ that originates in any region where rinderpest or foot-and-mouth disease exists, as designated in paragraph (a) of this section, or that enters a port in or otherwise transits a region in which rinderpest or foot-and-mouth disease exists, is prohibited.