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Federal Register

Docket No. APHIS-2009-0017

Regulatory Analysis and Development, PPD, APHIS

Station 3A-03.8

4700 River Road Unit 118

Riverdale, MD 20737-1238

Re: Comments on Docket No. APHIS-2009-0017—Importation of Beef From a Region in Brazil

To Whom It May Concern:

The United States Cattlemen's Association (USCA) and its nationwide membership of cow-calf operators, backgrounders and feedlot operators thanks you for the opportunity to comment on the Federal Register Notice: Docket No. APHIS-2009-0017, *Importation of Beef From a Region in Brazil*, as originally posted on December 23, 2013.

As the notice states, the United States Department of Agriculture's Animal and Plant Health Inspection Service (USDA-APHIS) and Veterinary Services (VS) conducted a risk assessment on a 14 state region in Brazil that includes the states of Bahia, Distrito Federal, Espírito Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais, Paraná, Rio Grande do Sul, Rio de Janeiro, Rondônia, São Paulo, Sergipe, and Tocantins. The 14 listed states have been declared as low-risk for foot and mouth disease (FMD) with vaccination by the World Organization for Animal Health (OIE). In contrast, the United States holds an OIE classification as FMD free without vaccination. Historically, the United States has not permitted the import of beef products from any country listed as vaccinating for foot and mouth disease. However, in this particular case, USDA-APHIS has proposed to initiate trade in fresh (chilled or frozen) matured deboned beef from the aforementioned region which vaccinates for FMD due to the risk of infection.

Given the information included in the risk assessment conducted per this notice, USCA opposes any initiation of trade with this region still vaccinating against FMD. The potential consequences and devastation posed to the U.S. livestock industry are far too great a risk for this notice to move forward. USCA issues the following comments regarding the proposed changes listed in this notice:

Economic Loss:

Given the potential for severe and catastrophic economic loss to producers across the nation related to an introduction of FMD, the omission of the USDA-APHIS in conducting a separate and comprehensive economic analysis per this notice is extremely concerning. Rather than a separate analysis, only a section of the risk analysis was given to this issue. USCA's membership consists of members whose ranches have been in operation for generations. An outbreak of FMD in the U.S. would decimate these operations virtually overnight and the economic losses at the local, state and national level would be catastrophic.

As stated in the USDA-APHIS's Consequence Assessment section within the risk analysis¹ the economic impact caused by an introduction of FMD into the U.S. is estimated at a loss of 10 to 20 percent in terms of overall productivity within infected animals and their associated herds.

The risk analysis also states that given a scenario in which FMD enters the U.S., the total loss over 15 years of combined direct costs, trade losses, and consumer impacts is estimated to be between \$37 and \$42 billion.²

A 2009 study conducted by Kansas State University modeled the effect of an FMD outbreak in a 14-county region in southwest Kansas, which is an area of highly concentrated cattle production. The study modeled the potential effects of an FMD outbreak on the entire state based on various sizes of cattle operations. The study stated that an FMD outbreak within a single cow-calf operation would contribute to an overall loss of 126,000 head within the state and a combined cost of \$23 million dollars.

In order to outweigh such a potentially devastating loss to the domestic industry, the net benefit produced through a change in trade protocol should be significant. However, the impact assessment by USDA-APHIS notes that if the proposed changes were implemented, only 40,000 MT of beef would be imported from Brazil. Furthermore, the assessment states that total U.S. beef imports would increase by less than 1%. Of particular concern is the fact that the risk analysis also notes the potential trade losses to the U.S. if FMD were introduced to the domestic herd and the resulting export restrictions imposed by international trade partners would result in billions of dollars lost to the U.S.³

USCA questions the strength of the proposed benefits in allowing importation of beef from the 14 Brazilian states as compared to the risk involved. Given the United States' standing as the top producer of beef in the world, and second largest exporter, we have a responsibility to protect our domestic herd. Allowing the importation of beef from Brazil puts both our industry and economy at high risk. The net benefit to the U.S. economy that would result from this proposed change does not outweigh the potential risks.

U.S. Livestock Disaster Aid:

As noted above, the economic loss that would result from an introduction of FMD into the U.S. would be catastrophic. The U.S. should not even consider additional trade agreements with countries known to have FMD or with countries known to be vaccinating against it. The United States does not have the significant and stable resources in place that would be necessary to provide for the industry if such a catastrophic event as the introduction of FMD into the United States were to occur.

As noted by Secretary of Agriculture Tom Vilsack on April 7, 2014, the ability of the current slate of livestock disaster programs within the Farm Bill to address virus-based outbreaks is limited. The Secretary noted that these programs are not geared to address disease outbreaks but are geared to weather-related disaster events.

¹ http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf, 75.

² http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf, 76.

³ http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf 77

As a cautionary event, we need only look at the current outbreak of the porcine epidemic diarrhea virus (PEDv) in the pork industry which has been catastrophic. To date, over five million piglets have been lost to the disease and it has been a devastating blow to the industry. In order to alleviate economic aspects and provide support to the industry, Secretary Vilsack commented in a recent Capitol Hill hearing that those farmers affected should begin to look to Congress to provide assistance that is currently not covered within agriculture disaster programs.

Furthermore, if an outbreak of FMD were to occur in the U.S., it is not clear that USDA-APHIS-VS has an appropriate preparedness and response plan in place, nor is it clear that an appropriate supply of vaccine could be made ready and mobilized swiftly for widespread distribution in the U.S.

The lack of a designated structure to address a domestic outbreak of FMD is a great concern.

Border Security:

In addition to concerns regarding potential economic losses, USCA would like to address the fact that there are many uncontrollable factors associated within international trade, such as transshipment of product across borders with countries that are not listed as FMD free. For example, the borders between Brazil and Uruguay, Argentina, and Rio Grande do Sul have been identified as having a total of 107 points of medium or high risk that could allow for un-inspected or undetected animals to enter Brazil⁴. Given the prospect of access to the U.S. market, USCA is concerned that countries outside of the 14-state proposed region will seek some means of transporting their cattle to the newly opened trade areas. The multitude of regional boundaries and potential access points between countries represents a vast area that appears to be void of consistent and active surveillance.

Additionally, the risk assessment stated that Brazilian officials do not acknowledge interaction by livestock with wildlife as a potential source of an FMD outbreak. However, in the state of Tocantinópolis, a farmer mentions his direct concern on this issue as he lives near an Indian reservation totaling 68,000 hectares where he has observed wild pigs among other animals, known to be carriers of FMD.⁵

Also noted in the risk assessment is that farms located along the Paraguayan Brazilian border operate in both countries. The two states have differing animal inspection procedures, thus compounding the risk for possible transport of FMD⁶. APHIS also notes in their risk assessment that a large part of the Paraguayan – Brazilian border consists of no more than a dirt road, easily crossed on foot. The issue of secure and restricted border access to cattle crossing state lines must be addressed. It takes only one animal to initiate this deadly disease and relying on natural borders is simply not enough.

As identified by APHIS, the movement of international livestock is not easily tracked.⁷ There are several areas along the borders of these 14 states that have no natural barriers and even where such barriers exist, there is still the potential that FMD could enter Brazil through illegal movement. APHIS notes a particularly troubling event during the agency's 2003 site visit in which they observed refrigerated trucks

⁴http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf 48.

⁵http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf, 17.

⁶http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf, 20.

⁷http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf 48

loaded with potential-risk material pass through a point in Juazeiro without inspection. This action was attributed to the familiarity of the inspectors with the specific trucks or type of trucks that were passing through. Though the inspectors mention that they hold periodic “blitzes” to check all vehicles passing through, the passive attitude of inspectors leaves the situation ripe for abuse. Furthermore, this was only one site that was visited in 2003; this observation raises questions about other inspection points where officials may follow a similar protocol.

In addition to the items outlined above concerning border security, USCA remains highly concerned about the recent outbreaks of FMD in neighboring countries. As recently as 2011, an outbreak of FMD was announced in Paraguay. In this event, FMD type O was detected in a region approximately 250 miles from the Brazilian border.⁸ Perhaps of even greater concern to this case is Brazil’s willingness to continue trade with a country that so recently underwent an outbreak with FMD, as evidenced by the fact that on December 3, 2011, after Paraguay had experienced an outbreak earlier that year, Brazil reopened its markets to Paraguayan beef.⁹

Inspection Services:

The quality of Brazilian inspection services is a problematic issue. USCA remains deeply concerned regarding the actual number and duration of each site visit that has occurred by APHIS to Brazil with regard to the inspection of processing, transport and associated facilities utilized in Brazil. APHIS conducted only five site visits over the course of nearly a decade with visits occurring in 2002, 2003, 2006, 2008 and 2013. The specific details regarding these site visits remains in question. Specific protocol and operations that were utilized during these visits must be made available to the U.S. livestock industry to provide complete transparency and sufficient assurance that the inspections were adequate, prior to any changes being made regarding the regulation of trade.

Inspection procedures within Brazil are operated by the Department of Animal Health (DDA), an organization within the Ministry of Agriculture, Livestock, and Food Supply (MAPA). Throughout Brazil, the system relies first on community reporting of FMD and inspections by local veterinary units known as LVU’s. Brazil has 1,857 veterinarians in this service and a total of 1,419 Local Veterinary Units, which are roughly 1.3 veterinarians per LVU.¹⁰ An LVU can be quite large, such as that in Colinas that spans 4,000 kilometers and contains 274,000 head of cattle.¹¹ This is a significant amount of acreage and livestock to maintain. Considering that APHIS’s last site visit to determine the effectiveness of veterinary procedures and services was in 2002, that there have been multiple outbreaks since that time and that the LVUs, are of such a large size we question APHIS’ evaluation of Brazil’s current inspection services and urge for further and additional visits to occur prior to any decision on this rule.

USCA also remains concerned about the effectiveness of Brazil’s eradication plan which has been in place since 1992. The current system is focused on regional eradication and is heavily based on community involvement. An initial estimation made by Brazil regarding this effort stated that the

⁸ http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf, 27.

⁹ <http://en.mercopress.com/2011/12/08/oie-puts-paraguay-in-fmd-list-brazil-reopens-market-to-mature-boneless-beef>

¹⁰ http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf 12

¹¹ http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf 14

eradication plan would eliminate FMD within the region by December 2005.¹² However, Brazil has not achieved FMD free status and we feel that Brazil's inability to implement and carry out the goals of its eradication plan raises questions regarding Brazil's further ability to implement consistent and effective animal inspection.

For example, in 2006, an outbreak occurred in the state of Parana as introduced by the movement of 87 heifers on September 27, 2005. In this specific case, the authorities were able to effectively control and stamp out the outbreak, as well as accurately identify the herd serving as the source of the outbreak. There was an additional attempt to identify and isolate the virus; however, the samples taken were not suitable for virus isolation. USCA highlights this case because the response and ultimate result raises questions about the efficacy of current veterinary procedures and protocol in regards to the ability to implement comprehensive identification and eradication procedures.

Inspection Checklist:

USCA acknowledges that security procedures are currently in place in Brazil and in other parts of the international trading community regarding the inspection of maturated and deboned beef. However, USCA is concerned with the capability of exporters such as Brazil to meet all conditions of the security procedures at all times. Brazil utilizes a system of passive and active surveillance to monitor the outbreak of FMD.¹³ Passive surveillance relies heavily on community reporting; the lack of federal oversight in this regards remains of utmost concern to USCA.

Given the vast acreage encompassed by the 14 state regions, USCA has grave concerns that all criteria required for a successful and accurate inspection can be met in each case. Every inspection must include restrictions on the origin of animals, requirements for maturation and pH testing of carcasses, ante-mortem and post-mortem inspections, and ultimate verification by Brazilian officials. For all of these requirements to be met with confidence, many factors must align. When we consider the possible negative consequences of a single infection, we have serious concerns that each of these 14 states can continually meet each criterion without exception. The statistical basis of not maintaining adequate surveillance of each of these measures may be low, but the ramifications if even one inspection criteria is missed, is too great to leave to chance. USCA does not believe that Brazil's surveillance program is presently strong enough to protect the U.S. cattle herd from the danger of FMD.

It must be noted again that one cannot completely remove the threat of FMD introduction if we are to open trade and import of beef products from states that continue to vaccinate against FMD. The U.S. has obtained a status of FMD-free without vaccination by the OIE and USCA opposes jeopardizing that status by implementing this proposed change in trade protocol. While the U.S. has opened trade to countries under the FMD-free with vaccination status previously, notably Uruguay, the acreage that must be under surveillance differs vastly between these two regions. While potential risks for introduction of FMD is decreased within regions vaccinating against FMD, the large number of states covered by the proposed rule that must all adhere to this principle, greatly increases that risk. The consequence of even a single case from one of the proposed 14 states could be devastating to the U.S. and its livestock industry.

¹² http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf, 29.

¹³ http://www.aphis.usda.gov/newsroom/2013/12/pdf/brazilian_beef_risk_analysis.pdf, 65.

Recent Inspection Concerns:

Brazil is currently able to export canned beef to the United States. However, on March 21, 2014 an alleged detection of excessive levels of anthelmintic ivermectin was reported in a shipment of canned beef from JBS SA to the United States. This same scenario occurred in 2010 when a shipment of canned beef from Brazil to the United States was detected also with excessive amounts of anthelmintic ivermectin. This repeated lapse in detection and inspection services by Brazil leads USCA to be concerned about the level of services within Brazil. If Brazilian authorities are unable to monitor levels of this particular dewormer drug, it raises immediate concerns about Brazil's ability to detect a catastrophic disease such as FMD. Until Brazil can present itself as adhering to all export and trade parameters currently in place with the United States, USCA remains opposed to the opening of trade with the proposed 14 state region.

USCA appreciates the opportunity to submit the above comments regarding this notice. We welcome any questions you may have regarding our concerns. Furthermore, we urge you to reconsider the proposed rule to initiate trade of fresh (chilled or frozen) maturated, deboned beef with a region in Brazil. USCA firmly opposes the implementation of this rule.

USCA opposes any action that will change current trade protocol with the listed 14 states within Brazil. The number of uncertainties involved in this proposed rule presents too great a risk to the domestic livestock industry and producers across the U.S.

Please don't hesitate to contact us if you require additional information or have questions we may answer. You may reach USCA Executive Vice President Jess Peterson at (202) 870-3867 or by email at jess@wssdc.com.

Regards,



Jon Wooster
President
United States Cattlemen's Association