Questions and Answers: The Importation of Boneless Beef From Japan

Q. Why did the United States develop a final rule to allow the importation of boneless beef from Japan?
A. Japan requested that the U.S. Department of Agriculture (USDA) consider allowing the resumption of beef imports from Japan into the United States based on the safeguards that country has implemented to prevent and control bovine spongiform encephalopathy (BSE).

Q. How long has the United States prohibited the importation of beef products from Japan?
A. USDA's Animal and Plant Health Inspection Service (APHIS) has prohibited the importation of ruminants and most ruminant products from Japan since September 10, 2001, when APHIS added Japan to its list of regions where BSE exists. That action was prompted by the confirmation of BSE in a native-born animal in Japan. As of July 2005, Japan had reported a total of 20 cases of BSE, including the initial case in September 2001. At the time of the ban, Japan exported primarily fresh/chilled boneless cuts of beef.

Q. Did USDA conduct a risk analysis before issuing the proposed rule?
A. Yes. The decision to issue a proposed rule was based on a thorough risk analysis conducted by APHIS. The risk analysis evaluated the impact on animal health and included a detailed consideration of the human health implications conducted by USDA's Food Safety and Inspection Service (FSIS). As part of the risk analyses, USDA considered and reviewed the extensive research that has been conducted on BSE. All comments received on the proposal, including any on the risk analysis, were evaluated and considered before issuing the final rule. No changes were made to the risk analysis before the final rule was issued. This final rule will provide for the importation of whole cuts of boneless beef from Japan while continuing to protect the United States against the introduction of BSE.

Q. What conditions are required under the final rule in order to export boneless beef to the United States?
A. The final rule will allow for the importation of whole cuts of boneless beef that are derived from cattle born, raised, and slaughtered in Japan, provided the following conditions are met:

- The beef is prepared in an establishment that is eligible to have its products imported to the United States under the Federal Meat Inspection Act (FMIA). The FMIA is enforced by FSIS and ensures that countries eligible to export meat to the United States have an inspection system that is equivalent to the U.S. meat inspection system. This includes the following requirements:
  —Specified-risk materials (SRMs) must be completely removed from the carcass, segregated from edible product, and disposed of in an appropriate manner. Under FSIS' regulations, SRMs include the brain, spinal cord, vertebral column (excluding the vertebrae of the tail, the transverse process of the thoracic and lumbar vertebrae, and the wings of the sacrum), trigeminal ganglia, dorsal root ganglia, skull and eyes of cattle 30 months of age and older, and the tonsils and the distal ileum of cattle of any age. BSE studies have clearly demonstrated that these locations are the primary sites for BSE accumulation in cattle. Because BSE infectivity has never been detected in muscle tissue, the most important mitigation measure for whole cuts of boneless beef is the careful removal and segregation of SRMs.
  —A prohibition on the use of air-injection stunning. The use of captive-bolt stunners injects air into the cranium of cattle, which may force pieces of the brain and other central nervous system (CNS) tissue into the circulatory system of stunned cattle.
- The beef is derived from cattle that are not subjected to a pithing process at slaughter. Pithing involves the insertion of an elongated rod-shaped instrument into the cranial cavity of a stunned animal to further lacerate the CNS tissue. This process could cause the dissemination of CNS tissue throughout the body of the animal during slaughter. This stunning method is banned in the European Union and has never been used in the United States.

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- The mitigation measures must be verified on an original certificate issued by an authorized veterinary official of the Government of Japan.

Q. Is the final rule in line with international guidelines for trade with countries that have BSE?
A. Yes. International guidelines for trade in animal and animal products are developed by the World Organization for Animal Health (OIE). The 2005 OIE guidelines on BSE provide for trade in bovine meat and meat products from countries of any risk status, including an undetermined risk status. This acknowledges the inherently low risk presented by muscle meat, with appropriate controls on SRM removal and stunning methods to prevent cross-contamination. The OIE guidelines provide for three possible BSE classifications for an exporting country, zone, or region: negligible risk, controlled risk, and undetermined risk. The export conditions for meat and meat products are increasingly stringent as the status of a region moves from negligible risk through controlled risk to undetermined risk. The proposed import conditions for whole cuts of boneless beef from Japan, including the requirements that beef come from an establishment eligible to export meat to the United States under the FMIA, are consistent with OIE's critieria for meat exported from controlled-risk regions.

Q. What scientific evidence provides a basis for the required conditions?
A. Research has demonstrated BSE infectivity in only a few tissues of cattle. These tissues are primarily in the CNS—brain and spinal cord—but also include such tissues as dorsal root ganglia, certain parts of the small intestine, and the tonsils. This knowledge has been used to develop effective, proven strategies for the removal of these tissues from animals of appropriate age so that these tissues do not enter the food chain. It's important to note that BSE studies in cattle have not detected infectivity in any tissues outside of those listed. This means that BSE infectivity has never been found in boneless beef, which is what will be eligible for importation under the final rule. The import conditions established under the final rule, including the removal of SRMs, are based on scientific research and in combination are effective in allowing for the safe importation of boneless beef from Japan into the United States.

Q. Under the final rule, what types of boneless beef would be imported from Japan?
A. First, it is important to note that all types of boneless beef that meet the requirement stated in the final rule will be equally safe in regard to BSE. Although we do not know exactly what will be imported, based on past records we expect that the vast majority of imports will be from Wagyu cattle. The term "Wagyu" literally translates to Japanese cattle, and refers to purebred Japanese Black or Japanese Brown breeds of cattle. Wagyu beef is a high-priced specialty meat widely acclaimed for its flavor and tenderness. Many people refer to it as Kobe beef because Wagyu cattle are raised an area near the city of Kobe. Based on economics, we expect primarily Wagyu beef to be imported under the final rule.

Q. What economic impact will this final rule have on U.S. consumers?
A. The final rule will have little or no economic impact on the majority of U.S. consumers and beef producers because the volume of beef imported from Japan is likely to be small and have only a minor impact on the overall domestic beef market. APHIS estimates that the total volume of imports will likely range between about 8 metric tons and 15 metric tons per year, a quantity aligned with import levels in the years immediately prior to the ban. The demand for Japanese Wagyu beef in the United States will likely be small because it is expensive. In October 2004, for example, the average selling price of Wagyu sirloin in Japanese supermarkets was just under $50 per pound. That price may rise even higher in the United States because of transportation and other costs associated with importation of the beef. The only segment of U.S. producers that might potentially be impacted by this rule would be those farmers and ranchers who raise Wagyu and Wagyu-hybrid cattle for the high-end domestic beef market and compete for the same niche market. The number of these producers is unknown but believed to be very small. The American Wagyu Association, a Wagyu breeder group, lists approximately 75 members in the United States. The final rule, however, will provide benefits to consumers (e.g., domestic importers, wholesalers, retailers, and those buying the beef) that will exceed any potential losses to domestic producers. Therefore, the overall effect of the final rule will be positive.

Q. How much beef was imported from Japan prior to the 2001 ban?

A. Prior to the 2001 ban, imports of Japanese boneless beef were negligible when compared to total imports of that commodity. From 1997 to 2000, for example, the volume of U.S. imports of fresh/chilled boneless beef from Japan averaged less than 9 metric tons per year. This amount was less than 0.005 percent of the average annual U.S. imports of fresh/chilled boneless beef worldwide during the same period. The average annual value of beef imports from Japan during this 4-year period was $808,000. This amounts to less than 0.2 percent of the average annual value of all U.S. imports of fresh/chilled boneless beef, which averaged $600 million annually during the same time period. Including frozen boneless beef in the comparison during the same 4-year period would further diminish Japan's share in the overall market, to about 0.001 percent of the quantity and about 0.05 percent of the value of all U.S. boneless beef imports.

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