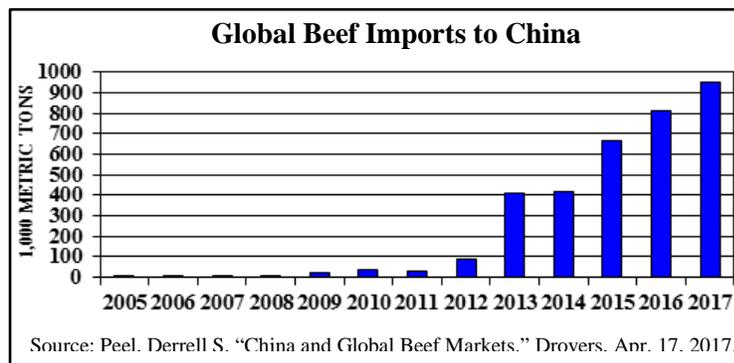


## Historic Reopening of China to U.S. Beef

### Background:

China suspended U.S. beef imports in 2003 after a cow in Washington State tested positive for bovine spongiform encephalopathy, or BSE. China's beef imports totaled \$10 million per year at that time. Today, that same market is worth an estimated \$2.6 billion due to China's rising middle class. Protein consumption in China is expected to continue making dramatic increases as disposable income grows. As a result, U.S. beef producers want access to the fastest-growing beef market in the world.



On May 11, 2017, the Trump Administration announced it had reached an agreement with China to restore market access for U.S. beef. On June 12, USDA announced the technical terms of the protocol. On June 14, Greater Omaha Packing Company sent the first shipment of U.S. beef to China in 13 years.

Nebraska leads the United States in red meat production, and trade drives our economy. Opening the Chinese market will allow Nebraska beef to compete in a market with nearly 1.4 billion new customers. This is tremendous news for Nebraska's livestock producers given the state's numerous harvest plants. Currently, product equivalent of 2600 head of cattle is exported worldwide from Nebraska every day.

### NC Involvement:

NC has played an active role in reestablishing our economic relationship with the Chinese. Last fall, then NC President Barb Cooksley and then NCBA President-Elect Craig Uden helped host a Chinese delegation focused on resuming market access for U.S. beef. The Chinese witnessed firsthand that because of our state's resources, Nebraska's producers can deliver some of the best beef grown in the world.

Last November, NC President Troy Stowater participated in a Nebraska delegation to China, led by Governor Pete Ricketts. The trip's primary focus was reopening market access to U.S. beef, which closed in 2003. This successful trip helped Chinese officials gain confidence in restoring beef trade between the two countries.





*"Working for Nebraska beef producers - pasture to plate."*

## Requirements for Export:

Beef exports to China must meet specified requirements under the USDA Export Verification Program. These requirements apply to U.S. companies – slaughterers, fabricators, and/or processors – that supply beef and beef products as listed on the USDA Food Safety and Inspection Service website.

- ✓ Beef and beef products must be derived from cattle less than 30 months of age.
- ✓ Cattle can be born in the U.S., Canada or Mexico, but all must be traced back to a U.S. birth farm or first U.S. port of entry. The shipping document moves with the animal. Changes in ownership will not have to be tracked.
- ✓ Cattle must be identified with a program-compliant ear tag prior to leaving the place of birth or arriving at the first U.S. port of entry. A program-compliant ear tag is a one-time use, tamper-evident tag, which contains a non-repeatable, unique number. It may be an EID, RFID or a visual tag.
- ✓ China prohibits beef imports with residues of synthetic hormones, beta agonists, feed additives including ractopamine (Optaflexx) and other chemical compounds prohibited by Chinese law.
- ✓ Testing to one part per billion will occur at point of arrival in China, and Chinese officials have a zero-tolerance policy. If a shipment were to include a prohibited substance it would be rejected, returned to the U.S. or destroyed.
- ✓ USDA's Agricultural Marketing Service verifies that cattle meet the specified product requirements through an approved USDA Quality System Assessment or USDA Process Verified Program. These programs ensure that a company's requirements are supported by a documented quality management system and are verified through audits conducted by AMS.

**Eligible Nebraska Suppliers to the USDA Bovine EV Program for Export to China, as of September 7, 2017 (in alphabetical order):**

- Cargill Meat Solutions in Schuyler, NE (Slaughterer, Fabricator)
- Greater Omaha Packing Co. in Omaha, NE (Slaughterer, Fabricator)
- J.F. O'Neill Packing Company in Omaha, NE (Slaughterer, Fabricator)
- Nebraska Beef, LTD. In Omaha, NE (Slaughterer, Fabricator)
- Omaha Steaks International in Omaha, NE (Fabricator)
- Quality Refrigerated Services in Omaha, NE (Fabricator, Processor)
- Skylark Meats, LLC. In Omaha, NE (Fabricator, Processor)
- Swift Beef Company in Omaha, NE (Slaughterer, Fabricator)
- Tyson Fresh Meats in Lexington, Nebraska (Slaughterer, Fabricator)

## Questions:

*Will China allow implants with naturally-occurring hormones like estradiol, progesterone, testosterone and other estrogenic compounds?*

NC recommends that producers consult with individual packers as to what they will and will not accept regarding production practices. It is possible that requirements could vary from packer to packer.