



## **Submission on US Beef Imports**

*ANIMAL BIOSECURITY RISKS OF FRESH BEEF AND BEEF PRODUCTS DERIVED FROM BOVINES BORN AND RAISED IN CANADA OR MEXICO AND LEGALLY IMPORTED AND SLAUGHTERED IN THE UNITED STATES*

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## About AMIC

The Australian Meat Industry Council (AMIC) is the Peak Industry Council representing the post-farm gate meat industry. AMIC members include businesses processing livestock for domestic and export consumption, smallgoods manufacturers, boning rooms, cold stores, wholesalers and distributors through to exporters and independent local butchers. Australia's biosecurity system and maintenance of Australia's enviable health status is vital to the Australian meat industry and is a key priority for all of AMIC's members.

## Executive Summary

AMIC welcomes the opportunity to review and provide comments on DAFF's Animal biosecurity risks of fresh beef and beef products derived from bovines born and raised in Canada or Mexico and legally imported and slaughtered in the United States: Draft addendum to the Fresh (chilled or frozen) beef and beef products from Japan, the Netherlands, New Zealand, the United States and Vanuatu – final review (the addendum).

AMIC's review of the addendum has identified three areas of concern which we suggest requires further examination and information to be provided to stakeholders prior to progression. These relate to:

1. The systems, processes and regulatory settings that ensure animals from Mexico entering the beef supply chain from US to Australia are born and raised in Mexico.
2. A need for clarification of Australian BSE assessments and processes noting the Mexico traceability concerns and requirement for assurance that animals from uncategorised BSE third parties do not enter the US processing supply chain; and
3. Deficiency in the suggested forward process outlined in the conclusion to the Bovine Tuberculosis assessment from animals from Mexico noted at 5.4.6.

Each of these concerns is details below, and we would welcome the opportunity to discuss them further with the department, as well as recommend the concerns are adequately addressed through subsequent revisions or draft for stakeholder consideration prior to progressing.

## Systems for assurance animals from Mexico are born and raised in Mexico

In response to the US's request, the scope of the addendum is to assess whether there is a different biosecurity risk to Australia from a US beef supply chain beyond US born and raised animals to include animals born and raised from both Canada and Mexico. Fundamental to this assessment and underpinning the data and arguments put forward in the addendum, is that the animals exported into the US beef supply chain from Canada and Mexico are in fact born and raised in those respective countries.

AMIC is of the view that the assurance systems outlined in the addendum for animals from Mexico may not be sufficient to ensure that beef and beef products potentially exported to Australia from Mexican animals through a US supply chain are from animals exclusively born and raised in Mexico. The systems outlined appear insufficient to prevent leakage from cattle born and raised from third party countries – such as in Central America – into the supply chain, therefore calling into question the addendum's subsequent risk assessments.

The addendum notes the traceability system for Mexican cattle imported to the US requires that cattle must have an individually identifying blue metal tag for import, and that this tag is applied at the time of bovine TB testing, prior to export, rather than an existing lifetime traceability tag. In lieu of continuous lifetime traceability through to US processing, the addendum notes Mexico's traceability system, SIINIGA, is used up until the point the blue tag is applied, with an un-described reconciliation of SIINIGA tags (required by Mexico) and blue metal ear tags (required by APHIS) conducted via the Annex to the Certificate of the Herd of Origin at the US port of entry. While there are concerns about the lack of detail on how the reconciliation is completed, there are also concerns regarding reliance on the SIINIGA system for allocating a Mexico originating status to cattle up until application of the blue tag.

As noted in the addendum, the SIINIGA system is moving towards the use of RFID tags to identify the entire national herd – implying that it currently does not have this capacity, which is in part why the blue tags are still required by the USDA. A current review of the SIINIGA system cannot be easily sourced. However, at the time of the FSANZ BSE assessment of Mexico, FSANZ noted the following of the system “At the time of the in-country assessment, SIINIGA was not established throughout Mexico, with agreements between the federal government and a small number of state governments still in the process of finalization.” “When fully established, SIINIGA, together with the system for tracking animal transport, will allow the comprehensive monitoring of movements of cattle nationwide<sup>2</sup>.”

In the 2018 USDA GAIN Report, it was noted “As previously reported, the National System for Individual Livestock Identification (SIINIGA, by its Spanish acronym) program has matured and expanded but is constrained by security concerns in some states<sup>3</sup>. ”

Whilst it is an older study, a 2010 Assessment by Cambridge University showed that “The program (SIINIGA) is conceptually well designed, but implementation thus far falls short of the potential and needs, most importantly in animal disease management. Although substantial numbers of animals have been tagged, relatively little progress has been made in developing a usable animal ID information system. Animal health officials currently are not actively involved in the development and use of the system<sup>4</sup>.”

The potential impact this has on the ability to manage animal biosecurity risks is quite significant and should not be underestimated. A modern, reliable traceability system is a core aspect of biosecurity and managing animal disease risks. While not explicitly part of this risk assessment owing to responsibility resting with FSANZ, this is a particularly important aspect in terms of managing BSE risk to Australia.

Whilst it is possible that the SIINIGA system has improved in recent years, the system appears to not be able to provide assurance of animals being born and raised in Mexico only, and not third-party countries. As such,

AMIC believes it would be prudent to do a thorough assessment of the system, to ensure that it is capable of managing animal biosecurity risks. This review should include at a minimum the following: the current level of uptake of individual identification tags, the compliance and regulation of the system, how the ID system is being managed and the ability to effectively determine property of origin and identify those livestock imported from other countries.

Additionally, the US import requirements do not explicitly dictate that imported animals must be Mexican born and raised, but that each bovine if officially identified with an identification traceable to premises of origin.

Based on the information outlined above and considered in culmination, this leads to a plausible and quite possible likelihood that animals born outside of Mexico (and the US) may enter the US supply chain and thus introduce additional biosecurity risks not addressed in the addendum.

**Recommendation 1: AMIC recommends that a thorough review of the Mexican Federal Identification system is carried out to ensure its ability to manage animal biosecurity risks and provides adequate assurance animals entering the US supply chain for Australian exports are born and raised in Mexico.**

## BSE Risk Management and Assessments

AMIC recognises that risk assessment relating to BSE rests with FSANZ, and that relevant assessments are currently being carried out, particularly for Canada. In lieu of a forthcoming open consultation process regarding BSE risk from Mexican sourced animals in a US processing supply chain, AMIC raises some concerns during this addendum consultation process for DAFF and FSANZ's consideration.

AMIC notes the addendum contains the assumption that cattle imported into Mexico from other countries with unknown BSE risk are not subsequently imported to United States.

The addendum states that "recent years, imports of cattle have occurred from a number of countries including United States, Guatemala, Belize, Canada and Nicaragua for the purpose of breeding and slaughter. United States 9 CFR 93.436 underpins controls to ensure that bovines are not imported into the United States from undetermined BSE risk countries as defined by 9 CFR 92.1"

This control in CFR 93.436 relies on an individual identification system which is functional and being complied with. However, as noted above, AMIC has concerns about the ability of the current Mexican system to meet these requirements.

As per the draft addendum and noted above, a blue metal ear tag is applied in preparation to exporting to the United States. "A reconciliation of SINIIGA tags (required by Mexico) and blue metal ear tags (required by APHIS) is conducted via the Annex to the Certificate of the Herd of Origin at the port of entry". (draft addendum)

This means that prior to tagging with the blue metal tags at the border, traceability of cattle to property of origin is reliant on the SINIIGA system. If this system does not appear able to manage animal biosecurity risks and basic traceability requirements, the BSE risk assessment may not be accurate. This should be considered in any review of BSE status of Mexican cattle entering the US supply chain.

Based on this information, AMIC requests clarification if any further assessments by FSANZ, or any other Australian Government body, will consider a BSE risk assessment for those cattle from Mexico, entering the US supply chain. This needs to consider the current traceability standards in the Mexico reviewed as per Recommendation 1, and if it can ensure that only Mexican born animals are capable of entering the US beef supply chain.

## **Recommendation 2: BSE Risk Assessment needs to ensure the following is considered:**

- **The risk of animals that are born outside of Mexico in countries with unknown BSE risk entering the US supply chain**
- **The BSE risk from US bovine meat exports for a supply chain that is integrated with Mexican (and Canadian) cattle.**

## **Bovine Tuberculosis (TB) ref. 5.4.6**

AMIC's review of section 5.4.6 found it to be largely appropriate, however we noted one area for improvement relating to process and the management of TB risk associated with direct to slaughter animals imported from Mexico to the US.

As noted in the addendum, 'there is no current trade (for commercial reasons) in immediate slaughter bovines from Mexico to the United States and no establishments are approved by USDA to process these animals. It is anticipated that only small volumes of beef derived from these animals would be exported to Australia.'

The addendum continues to note that its finding regarding bovine TB '...was based, in part, on the anticipated very small volume of trade and the current absence of the immediate slaughter pathway from Mexico. Once trade commences, Australia will monitor the quantity of fresh beef and/or beef products imported from the United States and a significant increase (in the department's view) may trigger a review of this commodity.'

Given the factoring of the non-occurring trade pathway and low trade volume expectations, AMIC supports the outlined process to monitor trade with a view to reviewing risk if necessary. However, we suggest that since USDA approval would be required for a processing establishment to commence direct slaughter operations with Mexican cattle, that DAFF make a requirement of the addendum that USDA provide formal advice should it receive a request and/or provide approval for this trade pathway in future. This would provide a clear, transparent trigger for a review of risks which would fundamentally be shifting from those considered and outlined in the addendum.

Recommendation 3: DAFF require formal USDA notification of any requests and/or approvals for direct slaughter of Mexican cattle at a US export processing establishment, which triggers a consideration by DAFF of whether a review of the risk is required.

## **Conclusion**

In conclusion, AMIC is of the view that a more thorough investigation needs to be carried out before they can support the addendum, including a review of the Mexican Traceability System, and BSE Risk Assessments and provided that consider the complexity of the US supply chain, and ensuring direct slaughter operations have appropriate pathway to trigger a review if required.

## References

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[https://apps.fas.usda.gov/newgainapi/api/report/downloadreportbyfilename?filename=Livestock%20and%20Products%20Semi-annual\\_Mexico%20City\\_Mexico\\_3-9-2018.pdf](https://apps.fas.usda.gov/newgainapi/api/report/downloadreportbyfilename?filename=Livestock%20and%20Products%20Semi-annual_Mexico%20City_Mexico_3-9-2018.pdf)
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