



NCBA Q&A: How to Send Your Beef Products to Japan Now that the Doors Have Partially Re-Opened

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There are a lot of questions surrounding the resumption of U.S. beef exports to Japan. Amid all the questions, one thing is certain— today, the requirements for exporting U.S. beef to Japan are different than they've ever been.

Under the negotiated agreement finalized in October 2004, all U.S. beef exports to Japan must be sent under the Beef Export Verification (BEV) Program. The BEV defines specific criteria that packers must follow to be able to export beef to Japan. Further, those supplying beef must be certified under a separate program known as Quality System Assessment (QSA). The agreement between the U.S. and Japanese governments to resume U.S. beef exports to Japan requires that all beef entering Japan must meet specific requirements certifying that the beef is from cattle 20 months of age or younger.

To view the BEV Program details, visit <http://www.ams.usda.gov/lsg/arc/ARC1030J.pdf>. To view approved suppliers under the BEV Program, visit <http://www.ams.usda.gov/lsg/arc/evjapanlisting.htm>.

For U.S. cattle producers interested in making their end products eligible for export to Japan, it is important to understand the mechanics of the BEV for Japan as well as the QSA requirements for all components of the beef supply chain, including producers, feedlots, slaughterers, fabricators and U.S. companies.

Generally speaking, companies must meet the specified requirements under the Japan BEV Program (age verification certifying that all beef and beef products come from cattle harvested at 20 months of age or younger) through their participation in a USDA approved QSA Program. Any supplier of cattle or beef, including packers, feedlots, producers, cooperatives, auction markets, buyers, and others may develop a QSA program. Cattle may also be supplied under an "umbrella" QSA program. The umbrella program is controlled by one company but involves other suppliers of cattle. This company is responsible for maintaining the program and for ensuring that the requirements are met throughout the supply chain.

Below are answers to some of the key questions cattle producers are asking regarding Japanese export eligibility:

1. As a cow/calf producer, what do I need to do to qualify to beef from my cattle for eventual export to Japan?

You have the following options to make your cattle eligible for export to Japan:

- Develop your own, individual QSA and get approval from USDA; or
- Sell to a buyer that has an approved QSA Program; or
- Have your cattle enrolled in one of the approved USDA QSA Programs for age verification as listed on the Livestock and Seed Program Web site at: <http://www.ams.usda.gov/lsg/arc/qsap.htm>; or in one of the approved USDA Process Verified Programs (PVP) for age verification listed on the Livestock and Seed Program Web site at: <http://processverified.usda.gov/>

Producers, backgrounders, livestock markets, feedlots and packers can all apply for approval for their own stand-alone USDA QSA Program. There is no requirement that producers participate under an “umbrella” Program.

2. If I have records that confirm the age of my cattle, can I use a signed affidavit when I sell them to make them eligible for export to Japan?

No. Producers must either develop their own USDA QSA Program or supply cattle under an “umbrella” Program. Signed affidavits may be used within some approved USDA PVP or QSA Programs as a record to show transfer of ownership only.

3. What information is necessary to prove the age of my cattle to have them considered for export to Japan?

For the beef from your cattle to be eligible for the BEV for Japan, you must do one of the following:

- Identify individual animals with a unique identification number that is associated with the animal’s actual date of birth, is traceable back to ranch records and able to accompany the animal through the process; or
- Individually identify all animals within a calving group, and document the actual date of birth of the first calf born in the contemporary group. (The age of all other contemporaries will be derived from the oldest calf in the group.) In the case of group age verification, breeding dates can serve as a supplementary method for verifying the age of the oldest calf in the group; or
- Participate in an approved USDA QSA Program or Process Verified Program (PVP) for age verification, and provide the program-specific identification and age verification requirements.

Documentation must be sufficient to verify the birthdates of conforming animals. Documentation may include existing procedures, forms, and records such as standard operating procedures, health records, feed records, shipping records, purchase records, documentation for identification of animals, and/or breeding methods and seasons. If you

choose to participate in an independent QSA, you will be required to provide one of the above methods of age verification as well as any additional requirements of that program.

4. What kind of identification do I need to use?

The type of ID is dependent upon the Program in which you participate. If you are in an “umbrella” Program, then you must use the type of ID required by the company. If you have your own Program, then you determine the type of ID. Identification must be such that animals can be traced back to legitimate birth records. Identification must meet the requirements of the specified product requirements for the specific export program.

5. Who will certify me during this process?

If you opt to go through the process of establishing your own USDA QSA Program, then USDA, Livestock and Seed Program must approve your program, which will include on-site audits in accordance with the USDA QSA Program requirements.

If you are part of an “umbrella” USDA QSA or PVP Program, the company will conduct supplier evaluations and re-evaluations in accordance with its approved Program. USDA may conduct audits of suppliers of cattle while auditing the company’s approved Program to ensure Program requirements are met.

6. Will I be audited?

Yes, if you have your own Program, you will be audited in accordance with the USDA QSA Program requirements. If you are part of an “umbrella” Program, USDA may conduct audits of suppliers of cattle while auditing the company’s Program to ensure that requirements are met. Regardless of where you choose to participate in this process, you must always be prepared to have your record-keeping audited.

7. If audited, what will I need to have?

If you are audited you will be required to have documentation that is sufficient to verify the birth dates of conforming animals. Documentation may include existing procedures, forms, and records such as standard operating procedures, health records, feed records, shipping records, purchase records, documentation for identification of animals, and/or breeding methods and seasons.

8. Lastly, and most importantly, this seems like a good deal of effort just to access one export market. What is this effort worth to me?

The U.S. Meat Export Federation (USMEF) estimates that, as a result of worldwide BSE bans on U.S. beef, American cattle producers lost just over \$8.00/cwt in 2004 on the top 10 exported beef products, alone. While the market has yet to determine just how the resumption of U.S. beef exports to Japan will impact you and your wallet, this market

access is a positive first step to regaining these lost dollars. The age restrictions negotiated with Japan enable those producers willing to take a proactive approach to providing age verified cattle to capture this lost market share.

Obviously, the information above is only a glimpse at the USDA BEV Program for Japan and QSA Program Requirements. All of this information and much more is available directly from the various USDA websites. For a more technical set of questions and answers, visit <http://www.ams.usda.gov/lsg/arc/arcQA.htm>.

If you have any questions or need further information, feel free to contact Jenni Beck in NCBA's Washington, D.C. office at jbeck@beef.org or (202) 347-0228.