Traceability

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AMS/USDA
Role of USDA-AMS

- Authorized by Agricultural Marketing Act of 1946
- Audit, verify, and approve company’s production practices
- Independent, third party
WHAT IS TRACEABILITY?

TRACEABILITY IS THE ABILITY TO FOLLOW THE MOVEMENT OF PRODUCTS THROUGH SPECIFIED STAGE(S) OF PRODUCTION, PROCESSING AND DISTRIBUTION

MOVEMENT CAN RELATE TO THE ORIGIN OF THE MATERIALS, PROCESSING HISTORY OR DISTRIBUTION OF THE PRODUCTS

A TRACEABILITY SYSTEM IS A USEFUL TOOL TO ASSIST AN ORGANIZATION OPERATING WITHIN A SUPPLY CHAIN TO ACHIEVE DEFINED OBJECTIVES IN A MANAGEMENT SYSTEM

THE CHOICE OF A TRACEABILITY SYSTEM IS INFLUENCED BY REGULATIONS, PRODUCT CHARACTERISTICS AND CUSTOMER EXPECTATIONS

THE COMPLEXITY OF THE TRACEABILITY SYSTEM CAN VARY DEPENDING ON THE FEATURES OF THE PRODUCT AND THE OBJECTIVES TO BE ACHIEVED
REASONS FOR TRACEABILITY – INJECT ACCOUNTABILITY AT EACH LEVEL OF THE MARKETING CHAIN

• Lumber – protection of “old-growth” forests
• Diamonds – reduce trade in “conflict” diamonds
• Food – food safety/food quality
Traceability in the News

Ireland Pork Dioxin Issue

Cantaloupe Issue - Listeria
One farm - One Packing shed

Wal-Mart – China
Pork Issue – Is it Organic?
WHO IS CREDIBLE?

WHOM DO CONSUMERS TRUST TO MAKE DIFFERENT CERTIFICATIONS?

CERTIFYING AGENCIES:
- Federal government - Inspection (USDA) – PVP - Organic
- State government inspection
- Private companies – CAB – Ranchers Reserve – Tender Choice
- Producers
- Food retailers
- Special interest groups

(Bailey and Dickinson)
SOME OBSERVATIONS FOR THE US

• CAB SEEN AS A “QUALITY” INDICATOR

• USDA SEEN AS A “SAFETY” INDICATOR

• BRAND NAMES SEEN AS SIGNALING BOTH SAFETY AND QUALITY

• CAB HAD HIGHER QUALITY SCORES WITH “INITIATED” GROUPS THAN “UNINITIATED.” STORE BRANDS RATED LOWER THAN MANUFACTURER BRANDS

(Bailey and Dickinson)
US PARTICIPANTS PERCEIVED MANUFACTURER BRAND NAMES AS SUPERIOR TO STORE BRANDS IN TERMS OF QUALITY AND FOOD SAFETY ATTRIBUTES

PRIVATE SECTOR IN THE US APPEARS TO BE PREFERRED OVER GOVERNMENT TO MAKE CERTIFICATIONS FOR ANIMAL WELFARE, SOCIAL RESPONSIBILITY, AND ENVIRONMENTAL RESPONSIBILITY

U.S. Meat Traceability

(Bailey and Dickinson)
Program Examples

- Traceability to at least 50% Red Angus Bloodlines
- Source Verified to Ranch of Origin
- Group Age Verified

- PM Specialty Foods of Richmond
- McSweeney’s Richmond, VA
- Seaboard Farms Inc.
- USDA Organic
- USDA Process Verified
- Where Food Comes From®"
Branded Beef Promise
Beef Production and Government Oversight

- AREAS OF CONCERN
  - Provides voluntary traceability and process verification programs for the beef industry, including such things as the Beef Export Verification Program to the EU
Beef Production and Government Oversight

- AREAS OF CONCERN
  - Regulation of animal drugs
  - Approval for the use of animal drugs
Beef Production and Government Oversight

- **AREAS OF CONCERN**
  - Regulation of pesticides in the areas of human health and the environment
  - Pesticide licensing for use on farms and setting tolerance levels for residues on food
Beef Production and Government Oversight

- AREAS OF CONCERN
  - Prevention of animal and plant disease
  - Operation of animal-disease-control programs
  - Grain Inspection for safety and quality

USDA-GIPSA, APHIS
Beef Production and Government Oversight

- **AREAS OF CONCERN**
  - Inspection for wholesomeness
  - Accuracy of labeling
  - Plant sanitation oversight
  - Testing for microorganisms, chemical residues
  - Conducting epidemiological investigations in cooperation with the CDC
Beef Production and Government Oversight

• AREAS OF CONCERN
  • Surveillance and investigation of foodborne illness outbreaks
  • Oversight of primary programs including the Foodborne Outbreak Response and Surveillance Unit, FoodNet, and PulseNet
  • National molecular subtyping network for foodborne disease surveillance
  • Utilizing the network of all state health department laboratories, all laboratories at the USDA’s FSIS, and all FDA laboratories
AREAS OF CONCERN
- Provides voluntary traceability and process verification programs for the beef industry, including such things as the Beef Export Verification Program to the EU
Traceability in the Food Chain

AMS Marketing Programs
USDA Process Verified
Quality System Assessment Programs

- Voluntary Programs
- Cost recovery basis – user fees
- Market-focused
  - Allow companies to make claims towards marketing their products—e.g., age, source verification
- Not intended to replace any Regulations
Types of traceability systems in AMS

- **Prescriptive**
  - Non Hormone Treated Cattle
  - Pork for European Union
- **Performance Standard**
  - Process Verified
  - Quality Systems Assessment
  - Export verification program
AMS Marketing Programs

- We do not specify exactly how to do it
- We do not require a specific animal identification system
- We verify that the system works
- We will conduct actual traceback exercises
- Performance driven
RENEWED GROWTH IN INTERNATIONAL MARKET FOR
U.S. BEEF AND BEEF PRODUCTS
Top 10 Importers of U.S. Beef

- Canada
- Mexico
- Russia
- Japan
- S. Korea
- Taiwan
- Kuwait
- Egypt
- China & Hong Kong
Export Facilitating Programs

- Export Verification Program
  - Developed in 2003 to ensure continued export of U.S. beef when U.S. began to import live Canadian cattle for direct slaughter
  - Voluntary program to verify other countries specified product requirements for U.S. product
  - Verified by USDA agency
Export Profile: Japan

TOTAL U.S. BEEF EXPORTS
2001-2010
(Including Variety Meat)
Export Profile: Japan

- EV Program Requirements
  - Beef and veal from animals slaughtered on or after July 27, 06
  - From animals 20 months or younger
    - Traceable to live animal production records
  - Hygienic removal of all specified risk materials

- Major U.S. beef cuts
  - Short plate, short ribs, skirts/hanging tenders, chuck rolls, offal*

* Source: International Livestock Congress 2008
Export Profile: Japan

Estimated box weight since August 2006: 383,068 metric tons
Conclusions

- Traceability on its own is insufficient to achieve food safety
- Private sector needs will pull traceability through and legislative standards will push traceability through
- Only through strict adherence to our trade obligations will market confidence be achieved
- Traceability and Verification will create value in multiple ways