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BAUCUS PLEASED AT NEWS OF JAPAN ACTION ON U.S BEEF

Tokyo announcement should be first step toward full resumption of beef trade

Washington, D.C. - U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, welcomed reports that Japan will agree Thursday to allow shipments of U.S. beef from cattle less than 21 months of age to resume. On June 21, 2006, Japan and the U.S. Department of Agriculture reached an agreement for the resumption of U.S. beef exports to Japan, which included audits of U.S. beef plants by Japanese officials. Those audits have now been completed, and approved U.S. plants should begin processing beef for the Japanese market immediately.

"It's long past time for Japan to begin to re-open its market to U.S. beef. Japan is a very important market for Montanans and for other American ranchers and beef processors, and the import ban has cost them billions of dollars," said Baucus. "U.S. beef is the safest, most wholesome, and most delicious in the world, and I have no doubt that Japanese consumers will be pleased to have it again."

In 2003, Japan banned U.S. beef after a cow in Washington State tested positive for bovine spongiform encephalopathy, or BSE. In December of 2005, Japan lifted its two-year old ban on U.S. beef from cattle less than 21 months of age, but suspended imports again in January after a Japan-bound veal shipment was found to contain a backbone that posed no risk to human health. Baucus has emphasized that the U.S. meat inspection system provides the highest level of food safety, and that minor compliance problems should not disrupt trade.

"This news is a good first step, but not the end of the process," stressed Baucus. "Our goal is to get U.S. beef exports up to the levels that we saw before the market was closed, in the range of \$1 billion per year. I will continue to press Japan to accept all U.S. beef from animals 21 months and older, consistent with international standards. The scientific evidence is clear in this regard. U.S. beef is safe, regardless of age, whether boneless, bone-in, or offals."

Baucus has been at the forefront of efforts to urge Japan to lift its beef ban. He met with Japan's Ambassador Kato on two separate occasions this year, and sent a letter to Prime Minister Koizumi in May, strongly urging an end to the beef ban. In June of this year, he cosponsored legislation with Senators Kent Conrad (D-N.D) and Pat Roberts (R-Kan.) that would have imposed tariffs on Japanese imports equal to \$3.14 billion annually – roughly the amount U.S. beef exporters lose annually by being shut out of the Japanese market – if Japan did not lift its ban by August 31. In addition to submitting comments in Japanese to Japan's Food Safety Commission and traveling to Japan to meet with Japan's trade and agriculture ministers to argue for lifting the ban, Baucus brought senior officials from Japan and other Asian countries to eat Montana beef on a Montana ranch to encourage them to lift the ban.