



# **FARM POLICY DEVELOPMENTS AND POLICY TENSIONS UNDER NAFTA**

**Country of Origin Labeling and Traceability  
Mexican Reaction**

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# Guides...

- **Berry Carpenter, USDA: Country of Origin Labeling (COOL).**
- **Jill E. Hobbs: Traceability and Country of Origin Labeling.**
- **The Curious Case of MCOOL in the US 2002 Farm Bill.**

# On the beginning...

- **Carpenter: ...”the Administration will have to solve many concrete implementation aspects before the law and regulations come into effect , and...**
- **it's opposed by U.S. pork interests and that the U.S. pork producers (NPPC) and cattlemen’s (NCBA) associations have asked for a legislation repeal.**

# **Where is the chicken?...**

- **Poultry products are, for no justifiable reason, excluded from the coverage of the legislation .**
- **and, of course, chicken: will not be subject to the same additional costs of compliance .**
- **is highly questionable and suggests that the legislation is not motivated by consumer demand as claimed by the backers...**

# **COOL but...**

- **...modifies the current trade agreements and seeks to settle to demerit any commodity under this pretended regulation.**
- **...in order to take the best advantage of each countries consumer's benefit.**
- **Must repealing the consumer's benefit open new trade barriers now? .**

# **Consumer ask for Safety and Quality...**

- ...has never questioned the knowledge of the origin of the product**
- Foreign producers make a genuine effort to be recognized through the “Denomination of Origin”.**
- Presently, import products are identified with labels by their country of origin, and**
- Cool's concern products represent a very limited added offer**

# MEXICO: Official concern...

- Mexican governmental certification procedures based on safety and quality before being exported.
- USA places authority that verifies ON ORIGIN:
  - authorizing the facilities, ingredients, packing and labeling
  - DEA, EPA, AMS, and APHIS as FSIS just to mention a few.
  - new derived norms of the Antiterrorism Law pertaining to biological risk

# **Believe or not, but...**

- This entire outlook now under regulation of the concerned import commodities, grant the consumer greater security than the products characteristic of the USA.
- As net pork importers: strongly demand and pursue for a Labeling Origin Regulation on imported pork in Mexico (HOMOLOGATION?)



# COOL invite...

- an invitation that the private industry looks for not just for NAFTA but for the rest of the world
- Professor Kerr already reminded us of the recently protest by the American government and of the meat industry against the government of South Korea as they sought to seek the same measure of origin of country labeling

# OFFICIAL STATISCAL DIFFERENCES AMONG PORK TRADE MEXICO AND USA

## 1998 - 2002 PORK MEAT IN 6 DIGITS

MEXICO		IMPORT	1998	1999	2000	2001	2002
02031101		Canales med can Fr Ref	17,675	29,589	38,365	28,070	25,731
02031201		Jam palet s/desh Fr Ref	40,333	54,066	80,301	79,073	117,359
02031999		Las demás Carne Fr Ref	14,699	15,012	16,364	15,311	18,849
02032101		Canales med can Cg	89	1,305	952	852	135
02032201		Jam palet s/desh Cg	7,952	6,759	24,583	42,681	32,964
02032999		Las demás Carne Cg	23,967	30,822	47,899	51,061	48,764
<b>TOTAL</b>			<b>104,715</b>	<b>137,553</b>	<b>208,463</b>	<b>217,048</b>	<b>243,802</b>
USA		EXPORT TO MEXICO	1998	1999	2000	2001	2002
20312		SWINE HAMS, FR/CH	12,060	13,573	28,472	27,834	28,648
20329		SWINE CUTS, FROZ	9,322	10,204	20,620	23,415	16,216
20311		SWINE CARCASS FR/CH	10,305	17,563	23,565	17,080	11,338
20322		SWINE HAMS, FROZ	4,185	2,571	8,810	21,083	10,722
20319		SWINE CUTS, FR/CH	7,812	7,057	9,555	10,040	9,375
20321		SWINE CARCASS FROZ	110	492	326	152	708
<b>TOTAL</b>			<b>203</b>	<b>43,793</b>	<b>51,460</b>	<b>99,603</b>	<b>77,007</b>
<b>DIFFERENCES= MX (-) US</b>			<b><u>60,922</u></b>	<b><u>86,094</u></b>	<b><u>117,114</u></b>	<b><u>117,445</u></b>	<b><u>166,795</u></b>

# to conclude:

- ...under NAFTA, the legislature process should have evaluated the impact that commercial partners have on each other, or
- ...is it an exclusion consideration for Canada and México not specified at a present publication?

# ...what really want?

- COOL, is leading us in an opposite sense toward a North American integration interest
- We should move forward in coming closer toward a common agricultural policy for the region that genuinely assures a healthy integration in benefit of the whole region.

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•**Policy Disputes Information Consortium**

**THANK YOU**

