

Animal Identification



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Age Verification for Japan: What is Involved and is it Right for Me?

Overview

Japan is the only U.S. beef customer requiring age verification different from that of other countries. The carcass may be verified as A40 maturity or younger, or production records may be verified to determine date of birth if they are in a USDA approved Quality System Assessment (QSA) Program or Process Verified Program (PVP). Signed affidavits or commercially acceptable age verification programs are not sufficient to qualify cattle for Japan.

Introduction

Following the discovery of a cow testing positive for BSE, over 40 export markets for U.S. beef closed. The largest of these, Japan, represented 34% of U.S. beef exports and approximately 3% of total U.S. beef production in 2003. By early 2006, more than two years after closing, many countries are reopening to limited imports of U.S. beef. Japan opened its market on December 12, 2005 and closed again 5 weeks later on January 20, 2006 due to a violation of the bilateral agreement for the resumption of trade caused by a small shipment of veal containing portions of the vertebral column, which is banned under the current trade agreement between the United States and Japan.

The specific product requirements for the Export Verification Programs differ by country, but most have followed the World Organization for Animal Health (also known as the Office of International Epizootics or OIE) standard beef exports. Japan has chosen a different standard. Following a lengthy negotiation between government officials and scientists from the United States and Japan an agreement was reached that requires U.S. beef exports to Japan from animals 20 months of age or less. This factsheet will discuss these requirements, how age can be determined, how cattle producers can participate in the Japanese export market, and the differences between age verification and the proposed National Animal Identification System (NAIS).^a



We will begin with a description of the Export Verification (EV) program, and then move to a discussion of the specific product requirements of the EV for Japan program. There are two methods for verifying age of the animal for Japan. One method involves determining age at the plant and does not require input from the producer. The second method relies on birth records and verifiable records in a USDA approved system that maintains traceability and accountability throughout all phases of marketing. We will conclude the paper with questions that producers should ask and answer when deciding whether to adopt age verification record keeping.

The USDA Export Verification (EV) Program

The USDA approves individual packing plants for export through its EV program. Each country's requirements may differ, but most follow the current OIE standard for beef trade which states: *Boneless beef cuts from animals younger than 30 months may be exported so long as special safeguards are in place to avoid any contamination of the meat during slaughter.* OIE considered broadening that guideline to include boneless beef from all ages of cattle at its May 2005 meeting, but the decision was deferred until the May 2006 meeting.

Each packing plant must have protocol known as a Quality System Assessment (QSA) Program that defines how it will meet the EV requirements for a country. Because Japan is the only country that does not accept the OIE under 30 month recommendation, there are additional procedures to export to Japan. The EV for Japan program requires beef items, including offal and variety meats, be derived

from cattle verified to be 20 months of age or younger, removal of specified risk materials (SRMs) and proper labeling of the product.

Age Verification for Japan

There are two accepted methods to verify the age of cattle used to produce beef for export to Japan:

- 1) Age verification through carcass evaluation by USDA grader at the plant; and
- 2) Age verification through production records traceable to the birth premises that are verified by USDA or an approved third-party program.

Age Verification through Carcass Evaluation:

Cattle of unknown age or origin may be selected through carcass evaluation at the packing plant. Cattle must be determined to be A40 physiological maturity or younger by an official USDA evaluation using the U.S. Standards for Carcass Beef which evaluate the skeletal, lean, and overall maturity of the carcass. A study conducted by the USDA determined that A40 maturity represents cattle that are approximately 14-17 months of age. The supply of A40 cattle will vary seasonally with larger numbers in the early summer, but a relatively smaller number of cattle in the late fall and winter. When the USDA conducted an analysis in November 2004 only 6% of the cattle evaluated were A40.^b

Age Verification through Production Records:

Cattle must be traceable to live animal production records, and verification activities must be conducted at the slaughter, feedlot, and producer levels in addition to any other point in the marketing chain that would affect the ability to maintain custody of this informa-



tion. Proof of age using production records begins with the producer who cares for the cow. There are two approved methods for determining the birth date of the calf:

- Individual Animal Age Verification: Animals must have unique individual identification, and records must be sufficient to trace the individual animal back to farm or ranch records. Records must indicate the actual date of birth (month, day, year) of the animal and must accompany each animal through the process
- Group Age Verification: All animals within a group and born during the same calving season must be individually identified. Records must indicate the actual date of birth (month, day, year) of the first calf of the calving season or management group.

If the producer cannot individually identify the calf and determine the age of the individual or at least the first calf born in the calving season, then age verification through production records is not sufficient to qualify the animal for Japan.

Importantly, signed affidavits alone are not sufficient to qualify cattle for Japan. The producer's production records must be part of a USDA approved QSA Program or a Process Verified Program (PVP). These programs require producer evaluations and re-evaluations. Individual companies, organizations, or state agencies develop the QSA or PVP and submit it to the USDA Agricultural Marketing Service (USDA/AMS) for approval. USDA/AMS approves and audits the programs administered by these QSA or PVP firms who in turn approve, audit, and are responsible for the producers in their program.

What is a QSA or PVP?

A QSA and PVP is a documented system that describes how a producer manages his or her operation. This documented system must address among other things: records to validate age, production procedures for the farm or ranch, and records to validate activities. Not only are producers required to have records, they must have a written plan describing what records they keep and where to find them. The plan must demonstrate the effectiveness of the system to ensure that everyone in the operation knows and follows the protocol. The producer is evaluated by his or her QSA/PVP company that provides the overall umbrella program for complete system wide coverage of traceability and other program responsibility and/or the USDA to verify conformance with the written management plan.

The individual QSA or PVP that the producer joins will define the minimum procedures necessary and provide a format for producers to follow (an example may be found at www.iowabeefcenter.org). The type of information included in a written management system is a profile of the farm or ranch (name, location, number of cattle and acres), a production system and timeline, information on whether animals are purchased or raised, the type of identification and procedures (numbering system, when tagged, procedures for lost tag) and what records are kept for management purposes (breeding season, calving, purchases, sales, health, animal movement).

Having a written management plan and production records is a good business practice and many producers have this information or are ready to take this step. As produc-



ers develop or refine their QSA/PVP for age verification, they should also consider other product claims that they want to make. For example, a QSA/PVP may enable a producer to support claims relating to source verification, documented health practices and genetics, or qualification for natural markets. Not all QSA/PVP companies can verify all claims, so the producers should consider their needs before visiting QSA/PVP suppliers.

Producer Options

A producer who can determine calf birthdates can then decide whether to join a QSA or PVP in order to qualify for Japan. The QSA and PVP have a similar framework and requirements of participants, although the details may differ from one company to the next depending on its objectives and claim. In the case of Japan, the specified product requirement is age of the animal. As such, the QSA/PVP must define how the animal is identified, how the birth date is determined and recorded, and how the information is stored. If there is another product claim, the QSA/PVP must be sufficient to document that claim as well.

Producers have five primary options for qualifying their cattle for Japan using production records. These include:

1. Develop and maintain their own PVP or QSA:
 - This is estimated to cost \$8,000 for the USDA approval process and more if the producer hires a consultant. Additionally, the process can take months to complete.
2. Enroll in a PVP or QSA with a group of producers:
 - It may be new or existing and it spreads the development and approval cost over more producers.
3. Enroll in a PVP or QSA of the next segment in the supply chain:
 - A cowherd could be approved by a backgrounder's PVP/QSA or a feedlot may approve a backgrounder under its PVP/QSA.
4. Enroll in a QSA of a packer that involves all segments of the supply chain:
 - Each packer's QSA is unique to that company. Packer A will not qualify cattle for Japan that are sold to Packer B. A producer will need a QSA for each packer that wants cattle for Japan. The producer can sell to any buyer, but will need a QSA/PVP to qualify for Japan.
5. Enroll in a PVP or QSA that uses program-compliant ear tags approved for the EV for Japan:
 - The tag is applied at the farm-of-birth and enrolled cattle may move through the production system without further verification activities. The tag shows cattle are eligible, but companies receiving these cattle must verify age by looking up the birth date in a database.

Producers currently have several options to participate in an existing QSA or PVP. As of early 2006, there were 17 USDA QSA^d programs, all involving cattle, and 10 PV^e programs for age verification. Check the USDA websites listed at the end of this factsheet for an updated list of approved programs.



Will the National Animal Identification System Prove Age and Qualify Cattle for Japan?

No, NAIS will be a confidential system restricted to federal and state animal health officials for selected disease surveillance. Even if it would be available to buyers, the NAIS data will not contain birth date. However, the same electronic eartag that would be used by a producer's QSA/PVP company could be used to comply with NAIS. The data for QSA/PVP would be kept separate from the NAIS required data.

Should I Join a QSA or PVP?

It is unclear how quickly the Japanese market for U.S. beef will rebuild and how much demand there will be for age-verified cattle. At least initially, it is believed that packers will be able to find sufficient A40 carcasses to meet the Japanese demand once the market reopens. There is expected to be more interest in age verification through production records as the market expands and in late fall to early spring months when the number of A40 cattle is low.

If a producer wants to qualify his or her cattle for Japan, is the QSA or PVP the better option? Both programs meet the age verification requirements of the EV program for Japan if age is one of the PVP's requirements. In general, QSAs apply to age and source verification claims, whereas PVPs are often defined more broadly. PVPs may include claims beyond only age and source, such as genetics and vaccination history. Most QSAs are with a packer or feedlot and are not transferable to other buyers, but there is typically little or no out-of-pocket cost for the producer to participate in a QSA. Most PVPs are independent

companies or associations and cattle can be sold to any buyer needing to fulfill an EV program for Japan. However, there often is a cost beyond the price of the tag to cover the cost of the farm evaluation and re-evaluation.

Summary

Japan is expected to return as an important market for U.S. beef in the future, but it will take time to rebuild this export market. Its current requirement of cattle 20 months or younger, with age verified using carcass maturity or production records in a USDA approved program, will limit supplies particularly in late fall to early spring when the average age of fed cattle slaughtered is older. Once the export demand grows, there may be premiums for producers having age-verified cattle.

Producers should also consider what else they may gain from participating in a PVP, beyond market access for age verification to Japan. Will they market into other programs that have high standards of proof regarding documentation of health, genetics, or management practices? Since the NAIS is coming, do producers plan to use electronic identification to improve animal management within their operation? Are their buyers asking for more information or identification?

The bottom line is that there is not currently a premium in the market for age-verified cattle. The written management system and documentation are best management practices for businesses. While the market may not offer a premium, the real benefit may come from improved management control of the cattle enterprise.





Endnotes

- a For a glossary of program acronyms visit <http://www.iowabeefcenter.org/content/ABCsOfBeefMarketingPrograms.pdf>.
- b USDA MATURITY STUDY: Determining the Relationship between Chronological and Physiological Age in the U.S. Fed-Beef Population, January 19, 2005 <http://www.ams.usda.gov/lsg/stand/MaturityBeef.pdf>.
- c Examples of records that may be useful for verification purposes can be found online at <http://www.ams.usda.gov/cool/coolbeef.pdf>.
- d A list of approved USDA Quality System Assessment (QSA) Programs can be found online at <http://www.ams.usda.gov/lsg/arc/qsap.htm/>
- e A list of approved USDA Process Verified Programs can be found online at <http://processverified.usda.gov/>.

