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BAUCUS, HATCH DEMAND AN END TO CHINA'S BANS ON U.S. MEAT EXPORTS, THOROUGH REVIEW OF SMITHFIELD ACQUISITION

Finance Leaders: The Interests of Our Farmers and Ranchers Must be Protected

WASHINGTON – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Orrin Hatch (R-Utah) today demanded China end its unjustified and unscientific bans on U.S. beef and pork exports and called for a thorough review of the Shuangu Group's planned acquisition of Smithfield Foods.

"China's policies are unscientific, inconsistent, and are directly harming the United States agriculture community. The interests of our farmers and ranchers must be protected," the senators wrote in a letter to U.S. Trade Representative Michael Froman and Treasury Secretary Jack Lew. "We urge you to aggressively engage with China to open its markets, to provide opportunities to U.S. meat producers like those Chinese producers hope to obtain here in the United States."

Despite the World Animal Health Organization giving America's beef exports its <u>highest safety rating</u>, China has maintained bans and regulatory barriers that effectively shut U.S. ranchers out of its market. And as the Shuangu Group attempts to acquire Virginia-based Smithfield Foods, China also effectively blocks U.S. pork exports containing any trace of a common food additive called ractopamine, which the scientific community has declared safe for consumption. The senators, <u>who have long pushed</u> for <u>China to drop</u> these unjustified barriers, wrote that the review of the potential Smithfield deal by the Committee on Foreign Investment in the United States must be thorough and consider the full impact of the potential acquisition.

"The purchase of Smithfield – the largest pork producer in the world -- is difficult to square with China's restrictive policies that effectively ban U.S. pork," the senators wrote. "This review must be thorough and take into account the full range of national security interests. In particular, we urge that due consideration be given to the impact of the transaction on food safety in the United States."

The full text of the senators' letter is available here.