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BAUCUS THANKS JAPANESE PRIME MINISTER FOR BOOST TO U.S. CATTLE RANCHERS

Japan Began Importing Additional U.S. Beef on February 1 after Senator Baucus Pushed for Increase

Washington – Senate Finance Committee Chairman Max Baucus (D-Mont.) today thanked Japanese Prime Minister Shinzo Abe for <u>his country's recent decision</u> to accept additional U.S. beef exports. Japan began importing additional U.S. beef earlier this month after Senator Baucus pushed for it to adopt science-based import standards that would mean greater market access for U.S. producers, especially ranchers in Montana.

"Japan is a major market for American beef exports, so every step forward is a win for ranching jobs in Montana and across the U.S. There's plenty of room for U.S. beef exports to grow even further," Senator Baucus said. "Sound science and the trusted international watchdogs say American beef is the safest in the world. The next step is for Japan to lift its age-based limits on U.S. beef exports altogether."

Japan now imports beef from U.S. cattle up to 30 months of age, up from a 20-month limit, bringing it more closely in line with science-based international standards that say all ages and all cuts of American beef are 100 percent safe. The increase went into effect on February 1. Japan's action followed a trade mission Senator Baucus took to Tokyo last summer, where he pressed the country's then-prime minister and economic and trade leaders to bring Japan's policies in line with sound science and accept more U.S. beef.

Once the single largest market for U.S. beef, Japan imposed a ban in 2003 when one case of bovine spongiform encephalopathy (BSE) was discovered in the U.S. It reopened its market in 2005, but only to cattle up to 20 months of age. Exports have slowly rebounded since the ban, increasing over time to more than \$1 billion in 2012.

Japan began importing cattle up to 30 months of age this month, taking an important step toward lifting the age-based restriction altogether and further increasing opportunities for U.S. ranchers to boost exports. The USDA and the World Organization for Animal Health (OIE) have determined that U.S. beef – including from cattle of all ages – is completely safe for consumption.

Senator Baucus has a long track record of fighting on behalf of American beef exporters. He immediately pressed Russia to reconsider limiting U.S. beef exports when it announced the plan last month. And thanks to the bill he championed normalizing trade relations with Russia, the U.S. now has new tools to resolve that type of trade dispute. While meeting with European leaders on economic issues last fall, Senator Baucus urged them to bring their policies in line with sound science and accept

more U.S. agricultural products, including beef. He <u>worked with the administration</u> to secure <u>a commitment from South Korea</u> to accept more U.S. beef as part of the U.S.-Korea free trade agreement, which went into effect last March. He <u>has consistently</u> called <u>on China</u> to end <u>its restrictions</u> on <u>beef exports</u>, including <u>during a trade mission</u> when he met with then-Vice President Xi Jinping. And the <u>United Arab Emirates</u>, <u>Taiwan</u> and <u>Chile</u> all recently dropped limits on U.S. beef exports after Senator Baucus pushed them to do so.

Senator Baucus was joined on the letter to Prime Minister Abe by eleven other senators, including Jon Tester (D-Mont.). The full text of the letter is below.

February 15, 2013

The Honorable Shinzo Abe Prime Minister Tokyo, Japan

Dear Prime Minister Abe:

We were very pleased with Japan's recent announcement that it will be accepting beef and beef products from cattle up to 30 months old. This is a very positive development for our trade relationship, and a critical step towards bringing Japan's import practices fully into line with science-based international standards. It is also good news for ranchers and beef packers in our states, and for consumers throughout Japan.

The late Senator Mike Mansfield often said, "The U.S.-Japan relationship is the most important bilateral relationship in the world, bar none." The numbers seem to support Senator Mansfield's assertion, as trade in goods between our countries was close to \$200 billion in 2012. It is important that our economic relationship continue to grow and remain strong. Increasing market access and making decisions based on scientific standards is essential for this to happen. Senator Mansfield would no doubt join us in being pleased by your recent announcement, as an advocate of an ever-closer relationship between our two great countries.

U.S. ranchers produce world-class beef that is 100 percent safe. Our high quality product is a source of pride, and increasingly in demand in the global market. Over the last decade, new markets have emerged, and exports to our historic partners, including Japan, have increased. In fact, Japan is one of the biggest markets for U.S. beef. In 2012, sales of U.S. beef to Japan topped \$1 billion, and with your government's recent announcement, this number will continue to grow. We appreciate the steps you have taken, and look forward to further steps consistent with science-based international standards.

Sincerely,

Senator Max Baucus Senator Jon Tester Senator Thad Cochran Senator Heidi Heitkamp Senator Michael Bennet Senator Tim Johnson Senator Claire McCaskill Senator Pat Roberts Senator John Thune Senator Jerry Moran Senator Roy Blunt Senator John Hoeven

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