



CATTLE COUNCIL OF AUSTRALIA

MEDIA RELEASE

MR 08/07

May 02, 2007

Cattle Council sets the record straight on BSE side letter

Recent media reports accusing the Australia-United States Free Trade Agreement (AUSFTA) as having contributed to any loss in market share in South Korea and Japan are completely false.

Cattle Council Acting President, Greg Brown, says that the BSE side letter to the AUSFTA exists to ensure that science-based standards underpin all matters of international trade.

"The side letter merely reaffirmed pre-existing agreements as both Australia and the US are already signatories to the international animal health organisation, the International Organisation for Epizootics (OIE). In fact, Australia is an active participant in this organisation as it is clearly in our interest to do so.

"This side letter would not have any bearing on any future access arrangements that the US may be able to secure and it does not lower standards in any way," Mr Brown said.

The BSE side letter was signed in 2004 as part of the AUSFTA. It:

- recognises the central roles of the World Health Organisation and Food and Agriculture Organisation of the United Nations' Codex Alimentarius Commission (Codex) and the OIE in establishing international guidelines
- commits both parties to participating in the development of a comprehensive and cohesive response to BSE-related issues in an international forum.

"When it comes to trade, Australia can differentiate its product in many ways. However, we must be able to trade with the security that business is conducted in a manner that is backed by a science-based, rules-based standard."

Under the AUSFTA agreement, the integrity of Australia's food safety regime is maintained. It upholds Australia's right to determine the level of quarantine protection that it considers appropriate and provides a forum for settling quarantine disputes. Furthermore, the AUSFTA means that both countries agree that the World Trade Organisation is the appropriate forum for settling quarantine disputes.

"This type of science-based protection is essential for an industry that exports two thirds of its production.

"The side letter should not overshadow the AUSFTA. Australia will be given an extra 70,000 tonnes by year eighteen of the agreement and we will be free to export an unlimited amount of beef to the US after year eighteen of the agreement," Mr Brown concluded.

Ends – For further information contact Selena Jensen at Pegasus Communications on (03) 9329 7369 or 0400 626 782.

REPRESENTING AUSTRALIAN CATTLE PRODUCERS SINCE 1979

Cattle Council of Australia Incorporated (A2929)

PO Box E10 KINGSTON ACT 2604 Ph: 02 6273 3688 Fax: 02 6273 2397

E-mail: cca@cattlecouncil.com.au Web: www.cattlecouncil.com.au

