

## **Health and Sanitary Requirements**

Shipments of agricultural products, including beef and livestock, are occasionally subject to long delays due to health and sanitary inspections at the U.S. border. Delays resulting from the FDA's procedures to monitor pesticide residue have raised concerns among exporters. This type of delay can be damaging to perishable fresh fruits, vegetables or dairy products and may impose an additional cost on the exporter. Canadian livestock exporters have also been inconvenienced by limited quarantine facilities for live animals at U.S. border crossings.

Four counties in the United States maintain regulations prohibiting the sale, at the retail level, of meat that has not been graded by the USDA. The practical impact of these ordinances is that most wholesalers in these counties carry only USDA-graded meat, thereby reducing market opportunities for Canadian meat exporters.

Interstate milk shipments in the United States are governed by the FDA's Procedures Governing the Cooperative Federal-State Program for Certification of Interstate Milk Shippers. These procedures require that milk and milk products shipped between U.S. states must be produced and pasteurized under regulations that are substantially equivalent to the Pasteurized Milk Ordinance (PMO) and have been rated by a state milk sanitation rating officer certified by the FDA. There are no provisions that pertain to imports from other countries. A specific example of the disruptive nature of this ordinance can be seen in the termination of Canadian ultra high temperature (UHT) milk shipments to Puerto Rico (see dispute settlement panels, Section XII).

Milk and cream imported into the United States are subject to the Import Milk Act. Under the Act, milk or cream may be imported only by the holder of a valid import permit issued by the FDA. To obtain a permit, a number of health and sanitary requirements must be met. These requirements effectively preclude imports.

Standards applied to imported products by one agency can differ from standards applied by that same or other agency to an equivalent domestic product. In the USDA regulations, the definition of "poultry" does not include game birds; consequently, inspection of imported game birds falls outside USDA jurisdiction and is carried out by the FDA. Whereas the USDA considers salmonella to be an unavoidable contaminant in poultry carcasses and concludes that proper cooking normally eliminates any health hazard, it is the policy of the FDA to consider imported food containing salmonella to be adulterated and to prohibit such products from entering the United States. There is no evidence that the same policy is applied to game birds produced within the United States.