

Marketing Orders

The Agriculture Marketing Agreement Act establishes marketing orders that provide for grade, size, quality and maturity standards for horticultural products. Federal marketing orders apply to products grown in the United States within a designated area. In the case of some marketing orders, imports of fruits and vegetables into all regions of the United States must meet the standards established under the order, even though competing U.S. producers in areas excluded from the order are not subject to the same standards.

Health and Sanitary Requirements

Shipments of agricultural products 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. 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.

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 another agency to the same or similar domestic product. In the USDA regulations, the definition of "poultry" does not include game birds; consequently,