

## **USDA Details COOL Rules, Costs**

by **Jane Gabbett** on 7/29/2008

USDA's Agricultural Marketing Service (AMS) has issued a five-page document summarizing the technical requirements and cost estimates of its interim final rules on mandatory country-of-origin labeling (COOL), which go into effect Sept. 30.

The rules cover meat products including muscle cuts of beef, veal, lamb, chicken, goat and pork, as well as ground beef, ground pork, ground lamb, ground chicken and ground goat. They also cover fish, shellfish, fresh and frozen fruits and vegetables, peanuts, pecans, ginseng and macadamia nuts.

Technical requirement highlights:

- The rule does not apply to covered commodities produced and packaged before Sept. 30.
- Animals present in the U.S. on or before July 15 that remain continuously in the U.S. will be considered of U.S. origin.
- Foodservice establishments are exempted by the statute.
- Processed food items (including those that are cooked, cured, smoked or restructured) are exempted from labeling by the statute. Examples include meatloaf, meatballs, fabricated steak, breaded veal cutlets, corned beef, sausage, breaded chicken tenders, teriyaki-flavored pork loin.
- Labeling rules regarding ground beef, ground pork, ground lamb, ground goat and ground chicken require listing all countries of origin that may be reasonably contained. In determining what is reasonable, when a raw material from a specific origin is not in a processor's inventory for more than 60 days, that country shall no longer be included as a possible country of origin.
- Records must be maintained for one year and available within five days if requested by a USDA representative.
- Slaughter facilities must possess or have legal access to records that substantiate their origin claims. A producer affidavit will be considered acceptable evidence, provided it is made by someone having firsthand knowledge of the animals' origin and identifies the animals unique to the transaction.
- If slaughtered animals are part of the National Animal Identification System (NAIS), an official ear tag or the presence of any accompanying animal markings can be used as the basis of origin claims.

### **Costs**

USDA estimates the total first-year implementation costs for all directly affected firms at \$2.5 billion. Costs per firm are estimated at \$376 for producers, \$53,948 for intermediaries and \$235,551 for retailers.

It put the estimated cost to the U.S. economy in higher food prices and reduced food production in the tenth year after implementation of the rule at \$211.9 million.

To view the AMS summary document [click here](#).

To view the entire rule document, [click here](#).

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