

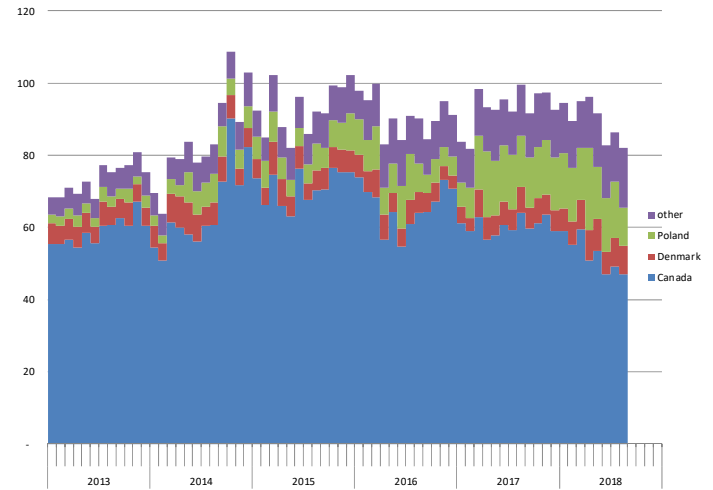
Recently USDA announced it was suspending all pork imports from Poland. This followed a finding that **a processing facility in Poland had shipped product without following the very stringent protocols put in place to protect against African Swine Fever.** The finding also triggered a quick review of all the export protocols for that country. Following that review, USDA has **once again lifted the suspension and pork from eligible areas in Poland can once again be shipped to the US.** Poland ships a fair amount of bellies and belly processors were paying close attention to this development (see chart for rough est).

One question that has come up before is why US allows pork from countries that have had outbreaks of African Swine Fever to ship product to the US. The answer has to do with the concept of regionalization, something that the US and European Union subscribe to. It is important to understand that this concept in the long run helps US producers. We live in an interconnected world. If the disease is found somewhere in the United States and we can demonstrate that the disease is contained, then we want our trading partners to continue to buy pork from areas not affected. If we were to insist on suspensions based on political boundaries, then an outbreak in a small farm in say New Jersey would mean pork from North Carolina or Iowa or Oklahoma, thousands of miles away, would be shut out of global trade. **With over 20% of US pork currently going to export, it is critical that we keep export markets open even if the disease comes in the US.**

The principle of regionalization helps accomplish that, at least with countries that subscribe to it. At this point, many countries in Asia continue to impose bans based on political boundaries. It is the US position that the focus should be on the protocols in place to stop the spread of the disease. This has little to do with political boundaries but rather the boundaries of the region where ASF has been found. Adopting this policy is not wholesale. It goes hand in hand with other systems and processes that a country has in place that assure the integrity of their food safety systems. **Regionalization means little if there are lax controls in place.** The situation in China is a case in point. While Chinese officials have put in place controls to prevent the spread of the disease, it has continued to spread like wild fire and recently a number of cases were found in the Southeastern part of the country (see map on page 2). Even more disconcerting is the fact that African Swine Fever was found in pork that a traveler from China was bringing into Japan. A few weeks ago a similar finding was made by South Korean officials in pork that was being transported into that country. It appears to us that the **controls put in place by Chinese officials have been vastly inadequate to prevent the spread of this terrible disease.** The fact that it is found in meat products is an indication that the disease there is quite prevalent. In the case of Poland, the food safety systems in place are vastly different and the European Union has continued to strengthen its defenses against this disease. However, we think it is critical that US border agents remain vigilant in preventing pork products that are brought in from consumers in ASF infected countries. This should be a priority as a finding of ASF in the US has the potential to be devastating for an industry that relies so much on global demand.

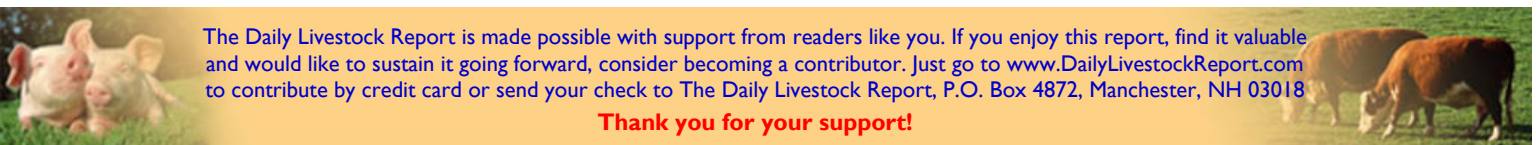
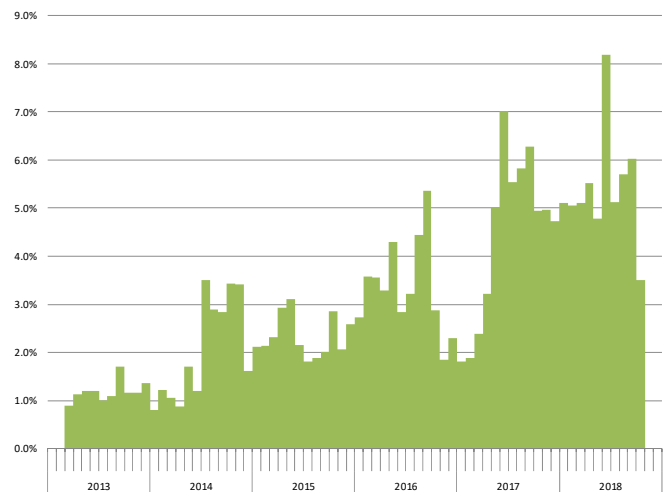
US Monthly **Pork Import Volume.** Million Lb.

Carcass Weight Basis. Data Source: USDA-ERS. Analysis by Steiner Consulting



Poland Pork Imports as % of US Derind Belly Production

Data Source: USDA-ERS and USDA-AMS. Analysis by Steiner Consulting



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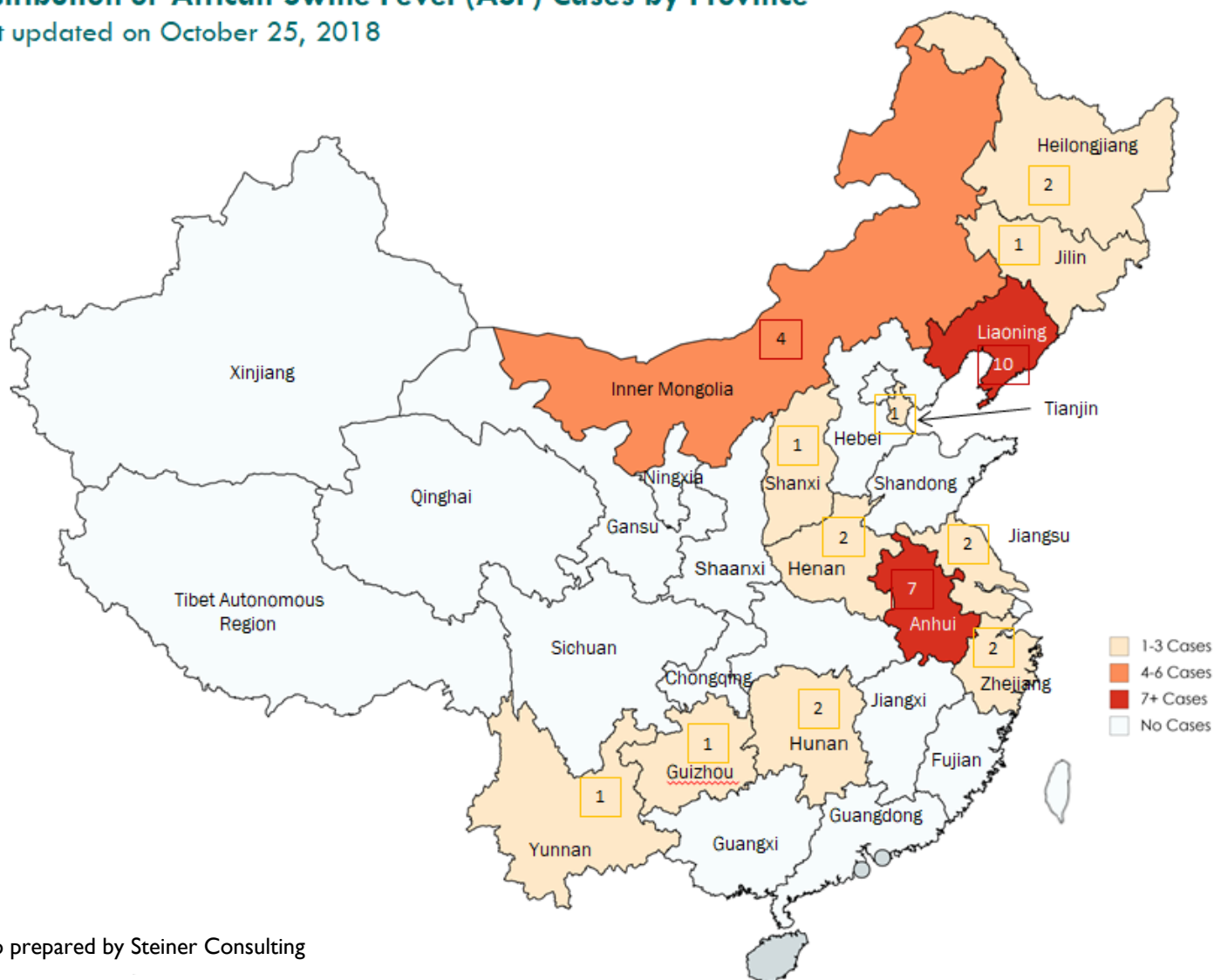
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## Distribution of African Swine Fever (ASF) Cases by Province

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