

Canadian Cattlemen's Association Backgrounder



In May 2003, South Korea, along with nearly all of Canada's export markets, banned Canadian beef and beef products after the detection of Canada's first case of bovine spongiform encephalopathy (BSE).

Prior to BSE, South Korea was Canada's fourth largest export market. Canadian beef exports to South Korea peaked at 21,000 tonnes (\$99 million) in 2000. In 2002, the last full year of trade, Canada exported 17,342 tonnes of beef products to Korea (value: C\$ 59.76 million) capturing five per cent of the market share of Korea's import beef markets. (AAFC, CFIA, Stat Canada)

From August 2003 through 2007, major export markets for Canadian beef, including the United States, Mexico, Japan, Hong Kong and Taiwan all lifted their total prohibitions and resumed at least partial beef imports from Canada.

In May 2007, the World Organization for Animal Health (OIE) officially recognized both Canada and the U.S. as 'controlled-risk' countries for BSE. This categorization resulted from a comprehensive evaluation of Canada's BSE control measures by OIE experts. OIE guidelines allow trade of all beef and cattle for countries in this risk category.

In April 2008, Korea announced it had reached an agreement to resume importation of U.S. beef. At the same time, Canada had been assured by Korea that it intended to resume imports of Canadian beef one month later.

The resumption of U.S. beef imports was met by weeks of protests in Korea causing the Korean government to backtrack on its agreement with the U.S.

In June 2008, Korea announced a new agreement to import beef from the U.S. and passed a law directing that any further market openings would require approval by the Korean National Assembly. This latter point caused Korean officials to abandon their intention to resume imports from Canada despite the fact that Canada had the same controlled-risk status as the U.S.

Through the summer and fall of 2008, hoping to avoid taking action at the World Trade Organization (WTO), Canada intensified its discussions with South Korea over opening the border, including ministerial meetings and letters, technical discussions, and visits to South Korea by the Minister of Agriculture and Agri-Food Gerry Ritz. Despite these efforts, Canada and South Korea were unable to resolve the issue, or to agree on a reasonable timetable for a resolution.

After years of emphasizing that there was no scientific basis for the ban, in April 2009 the Government of Canada initiated formal WTO dispute settlement proceedings to resolve the matter. The first step, on April 9, 2009, was a request for official WTO consultations with South Korea.

After official WTO consultations between Canada and Korea failed to resolve the matter, Canada requested that a Dispute Settlement Panel be created. The Panel was officially established on August 31, 2009. On November 16, 2009, the WTO notified that the panelists had been appointed.

In December 2009, Prime Minister Stephen Harper met with Korean President Lee Myung-bak in Korea. Following the meeting, President Lee indicated his desire to work towards a resolution of the dispute.

Through 2010, legal arguments were submitted and oral hearings were conducted by the WTO Panel, including the convening of a sub-panel hearing of scientific experts. Concurrently, meetings between Korean and Canadian technical officials took place throughout 2010 and into 2011 to reach a resolution outside of the WTO process.

By early 2011, the WTO Panel had heard all the evidence and began to prepare its written report.

Prior to the delivery of the WTO Panel's report, in June 2011, Agriculture Minister Ritz and International Trade

Minister Ed Fast announced that Canada had reached a science-based technical agreement with South Korea as a step toward restoring market access for Canadian beef. Canada requested the WTO to suspend the Dispute Settlement Panel pending Korea's completion of its domestic process to resume importation of Canadian beef from cattle under 30 months of age.

On December 30, 2011 Ministers Ritz and Fast announced the South Korean National Assembly ratified the import health requirements for Canadian beef. This had been anticipated as one of the most challenging steps in the Korean process to enable Canadian beef to re-enter the South Korean market.

On January 20, 2012 the Government of Canada received the final documentation from South Korea allowing imports of Canadian beef from cattle under 30 months to commence.

South Korea was the last remaining significant market to maintain a complete BSE prohibition on beef and veal trade with Canada.