



## Country-of-Origin Labeling *Talking Points*

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- Pursuant to provisions of the Farm Security and Rural Investment Act of 2002 retail grocery stores and similar businesses are required to provide country-of-origin information to customers for fresh and frozen fruits and vegetables, red meats, seafood and peanuts beginning September 30, 2004.
- To be labeled as a U.S. product, the commodity must be born, raised (hatched) and processed in the United States.
- Country-of-origin labeling will provide consumers with additional information upon which they can make better-informed food purchase decisions.
- Country-of-origin labeling provides producers with a mechanism that allows for product differentiation in the marketplace similar to the differentiation sought by processors and retailers when they label or brand products to gain greater market share.
- Many consumer products are currently labeled as to their country of origin, including processed imported food products prepared for the retail market and clothing.
- Imported agricultural commodities must be labeled for country of origin to be allowed entry into the U.S. and commodities and food products that are exported must be labeled as to their country of origin.
- Once imported, food products that undergo even a minor level of additional processing in the U.S. are exempt from country of origin labeling under USDA regulations although U.S. Customs regulations require a substantial transformation.
- Producers and/or processors are required to certify that commodities and products are of U.S. origin for many domestic food procurement programs, such as the school lunch program, products provided under foreign food assistance programs and the Market Access Program.
- Country-of-origin labeling requirements do not require costly or burdensome regulations in order to be effective.
  - Establish a “grandfather” provision for commodities that have been imported as of a specific date prior to implementation.
  - Allow those who solely produce U.S. products to self-verify to that fact.
  - Allow the use of other information sources, such as that required under the Perishable Agricultural Commodities Act, to satisfy country of origin requirements.
  - Require the country-of-origin information on imported products to be maintained and provided to subsequent purchasers of those commodities through branding, certification or other acceptable method.
  - Require import commodity purchasers to maintain adequate records to reconcile purchases, inventories and sales of imported and domestic commodities.
  - Allow producers, processors and retailers to maintain records in a manner of their choosing as long as the information is available and can be transferred to a standardized format in the event of an audit.