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Remarks

Remarks as Prepared for Acting Administrator Kevin Shea
For Gap Analysis Workshop, FAZD Border Protection
Against Foreign Animal Disease

WASHINGTON, May 30, 2013—Good morning. I appreciate the opportunity to speak with you.

I want to thank FAZD for hosting this event, and the National Pork Board for its sponsorship, and of course all of you here to participate in these two days of very worthwhile discussions.

I've been asked to provide some global perspective on how APHIS works to prevent the entry of foreign animal diseases, particularly significant swine diseases.

Before I talk about that directly, I'd like to briefly address something I know is on everyone's mind.

2013 Appropriation

The Appropriations Act that Congress recently passed gives APHIS about $761 million this year. That is $148 million—almost 17 percent—less than we had 3 years ago. If you lump together all the reductions we have sustained during the last three years, it totals to more than a quarter of a billion dollars less than if our appropriation had remained flat during that period.

As I've told several groups of stakeholders and our employees, you won't hear me say, "We need to do more with less." I disagree with that myth. We actually cannot accomplish as many things with less funding.

But we are working smarter and more efficiently. We've implemented a number of measures to cut costs and give us more financial flexibility. And we have concentrated our attention on the APHIS mission to protect the health and value of American agriculture and natural resources. That means keeping boots on the ground, conducting the type of work that only APHIS can conduct—issuing permits, protecting U.S. animals from foreign animal diseases, and facilitating trade.

The recently released President's Budget for FY 2014 would restore our funding to just over $800 million—nearly $40 million more than we have this year.

APHIS is very fortunate in that Congress gives us an overall appropriation that allows us some flexibility in managing budget cuts that not all agencies have.
Further, most of the agricultural quarantine work conducted at the border by APHIS and Homeland Security's Customs and Border Protection is funded through user fees, which aren't requested or received through the annual appropriations process. So certain activities there are unaffected.

We've also been able to avoid furloughs, so we can keep our employees where they belong, in the field dealing with pests, diseases, and facilitating trade.

And trade is directly related to the main topic today—preventing the entry of foreign pests and diseases.

Risk vs. Reward

We are fortunate to be part of an increasingly competitive, thriving global marketplace. And by definition, that involves exposure to some risk. But so does participating in the stock market and doing any number of other activities that can lead to great rewards.

Teddy Roosevelt once said, "It is impossible to win the great prizes of life without running risks."

So risk is part of the bargain when it comes to the rewards we seek in the arena of international trade. That risk comes from increased contact with agricultural products of other nations and many other factors that contribute to increased opportunity for transmission of pests or diseases.

We accept that risk. But we also do everything possible to safeguard against the entry of foreign pests and diseases. And fortunately, we have a lot of expertise to draw upon in that area.

So what are the threats we are most concerned about?

Diseases of Concern

Earlier this year, APHIS published a factsheet listing the 15 most serious diseases and pests that do not currently exist in the United States. If introduced here, these diseases and pests would pose a severe threat to U.S. animal health and, in some cases, human health as well as the U.S. economy.

It just so happens that three of the diseases that top the list affect swine: foot-and-mouth disease, classical swine fever, and African swine fever.

The United States eradicated FMD in 1929, but various types of FMD virus have been identified in approximately two-thirds of the world's countries and the disease in endemic in parts of Africa, Asia, Eastern Europe, the Middle East, and South America.

Since 2010, there also have been FMD outbreaks in China, Japan, Kazakhstan, North Korea, and South Korea, and the African nations of Botswana, Namibia, Nigeria, South Africa, and Zimbabwe.

Vaccination is often used in endemic countries as a means of control or eradication, and in free countries and zones to maintain or regain FMD-free status. More than 3 billion doses are administered annually, with India, Brazil, and China among the countries with large-scale vaccination programs.

Although effective FMD vaccines do exist, they don't cross-protect against the seven serotypes. So, there is not a single FMD vaccine, nor a single effective strategy to eradication or protection.

International cooperation is useful, as we've seen in South America. There, several countries, especially Bolivia, Colombia, Ecuador, and Peru, have been working together, and in 2012, for the first time in half a century, there were no FMD outbreaks in South America's Andean region.

In the United States, we cheer these successes, but we remain ever-vigilant. FMD is one of the most contagious livestock diseases and thus one of the most difficult animal diseases to control. If an outbreak were to occur here, the disease could spread rapidly to all regions of the country through routine livestock movements. And the economic impact could reach billions of dollars.

We saw that type of impact in South Korea. The 2010-2011 FMD outbreak there cost South Korea an estimated $2.7 billion and resulted in the culling of almost 3.5 million animals, most of them pigs.

Because of these threats, we take many preventative measures to keep FMD out of susceptible animal populations. We also coordinate with State animal health officials to

investigate and conduct diagnostic testing for suspected cases of vesicular disease, and we have prepared multiple response strategies in the event of an outbreak.

But it all starts at the border. Our import restrictions are based on science, and are in accordance with international standards—though we recognize fewer countries as FMD-free than does the World Organization for Animal Health. We do allow countries to petition for safe-trade status, which allows for the importation of certain products with low levels of risk. So, for example, while we don't recognize Uruguay as FMD-free, we do allow the import of aged raw beef.

I know that Classical Swine Fever is also an increasing concern for the pork industry. The disease is found in Central and South America, Europe, and Asia and parts of Africa. But it has been eradicated from many developed nations, and North America, Australia, and New Zealand are currently free of CSF. Since 2005, APHIS and the National Animal Health Laboratory Network (NAHLN) have run a national surveillance program to rapidly detect the introduction of CSF virus in U.S. swine. I'll talk in a bit more detail about our activities related to CSF shortly.

African swine fever is present in all African countries and about a dozen other nations, including Brazil and Russia. This is an acute virus that causes pigs to die within a week of contracting the disease; the virus can remain viable in meat and by-products for several months, and even longer. In an instance like this, our best protection is sometimes proactive capacity building abroad. So, we've conducted workshops in other countries to help them build their epidemiological capabilities to respond to outbreaks of African swine fever. An effective response in the country of origin decreases the opportunity for the infective agent to travel.

I'd like to clarify that one disease that we are NOT talking about in terms of this list is Porcine Epidemic Diarrhea, or PED. Although it gained some attention this month when it was found in a small number of herds for the first time in the United States, PED is not considered a foreign animal disease of concern. It's unpleasant, yes, but it's not a

zoonotic disease; it doesn't affect people; and it's not a food safety concern. The virus is widespread in many countries in Asia and Europe, so it is not a trade-restricting disease. Lastly, veterinarians are well-versed in dealing with this type of disease, and it poses nowhere near the level of threat associated with the other diseases I've mentioned.

So coming back to the question of what APHIS is doing with its resources to lessen the risks associated with trade, I'd like to give you a few concrete examples.

Screwworm Eradication

First, let me remind you about what has been, unquestionably, the single most successful program in the history of APHIS.

Since 1991 we have successfully eradicated screwworm from Mexico, Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama. This has resulted in economic benefit to cattle producers in those countries, as well as public benefits associated with living free of this health menace.

This program also has ensured access to a larger food supply, and it saves U.S. livestock producers an estimated $1.75 billion each year in screwworm treatment costs.

There is no better example of the degree to which government programs can benefit the people they serve. It's an example of the type of work to which we can and should be devoting our resources—to programs in which we can make a difference and get the most for our money.

The screwworm program, which began as a partnership with Mexico, also clearly demonstrates that the scientific part of the effort—in this case, producing more than 500 million sterile flies every week—was only the first of many steps we had to take:

- Before we could release the sterile flies, we had to reach out to communities to explain why they were going to see little boxes full of flies falling from the skies a few times a week;
- We had to visit anyone in our target areas who had a dog, cat, pig, goat…any animal that was a potential screwworm host;
- We had to send inspectors every two weeks to each property and supply farmers and ranchers with pesticide if they needed it; and
- We had to explain the program not only in Spanish but sometimes in several Indian dialects.

In short, we had to get people and their government representatives to understand that we were there to help them fight a common enemy—one that could affect not only their animals, but their families as well. And we had to get their cooperation.

So funding the science is just one of the costs associated with a successful program like this one.

Classical Swine Fever in Mexico

For years, we've been trying to work out the status of classical swine fever in Mexico. As you may know, in 2009 Mexico declared the entire country to be CSF-free, while APHIS recognizes only nine states as being free of the disease. In a number of other Mexican states, there is serologic evidence pointing to exposure to CSF. We also have some questions about the quality and consistency of the epidemiological standards, and worries about the proximity to CSF-affected countries.

So, APHIS is currently finalizing a risk analysis and we are going to propose a rule to allow, under certain conditions, importation of Mexican-origin pork and pork products from all of Mexico except the State of Chiapas. Special restrictions and conditions on the farm, at the slaughterhouse, and at processing plants greatly reduce the likelihood that

that pork imports might be infected or contaminated with the CSF virus that could expose U.S. swine to the disease.

So, we feel this can be successful on two fronts: keeping U.S. animals safe from disease and being responsive to open trade possibilities.

Vaccines in Guatemala

At the same time, in Guatemala, we're addressing classical swine fever in another way. In March of this year, APHIS transferred 1 million doses of CSF vaccine from the National Veterinary Stockpile to Guatemala's Ministry of Agriculture and Food Safety.

We recognized the prevalence of CSF in Guatemala, and we concluded that the use of vaccine would help in containing the spread of the disease not just in Guatemala, but in neighboring Mexico as well.

In addition, the Guatemala vaccination campaign provides APHIS with an opportunity to study the impact of the vaccine on surveillance and diagnostics when implemented in a field environment. The study is being put together by experts from the Centers for Epidemiology and Animal Health, the Plum Island Animal Disease Center, and the Guatemalan Ministry of Agriculture.

This also shows the value of the National Veterinary Stockpile in protecting the Nation's food supply and providing necessary resources during an animal disease outbreak. And it's a way to expand export opportunities and reduce barriers to trade.

Feral Swine

We're also working hard on some activities on this side of the border to address a potential reservoir for the spread of foreign animal disease.

Just last week, we held a public meeting at our headquarters to discuss feral swine management, provide a national perspective on the issue, and get feedback from involved stakeholders.

There are an estimated 5 million feral swine in the United States, and these invasive animals are thought to cause about $1.5 billion in damage and management costs each year. The animals also act as "virus incubators" and would play a significant role FMD or another foreign animal disease and extending the duration of disease outbreaks.

The President's budget proposal for 2014 includes approximately $20 million for a national program to reduce feral swine populations and keep these animals away from agricultural areas, as well as urban/suburban locations. In addition, we've released $1 million in contingency funds to support a demonstration project in New Mexico that we hope will not only eliminate feral swine from targeted areas in that State, but will serve as a proving ground for cooperative efforts involving Federal, State, Tribal, and private partners.

The fact that we're proposing to spend this kind of money in a tight budget environment indicates how seriously we take the potential threat posed by feral swine.

Emergency Response

One of our most important responsibilities is that of responding to animal health emergencies. In light of the financial picture I outlined earlier, how would we react in future emergencies?

Our first line of defense is prevention, and we are doing all we can protect against those emergencies in the first place. I'd like to point out the decrease in significant animal and plant health emergencies we have had to respond to in recent years—I like to think this is evidence that we are doing something right.

Between 2000 and 2010, we received $1.8 billion in emergency funds to respond to new detections of pests and diseases. Since 2010 we have received less than $40 million for the same purpose.

Beyond prevention, we remain vigilant—ready to protect U.S. agricultural interests and resources in the event of an actual emergency. We have had significant experience in dealing with real-word emergencies in the past decade or so—think BSE, END, avian influenza, and H1N1. And we are frequently involved in table-top exercises with our partners in other agencies at the State and Federal levels to hone our skills in coordinating a multi-agency response to a disease or pest outbreak.

In addition, over the past few years we have played a part in FAZD's series of workshops to draft recommendations for developing concepts of operations for agricultural screening tools.

We have a North American Foot-and-Mouth Disease Vaccine Bank to ensure the availability of vaccine during an emergency. The bank has also sent vaccine to other countries to jumpstart their vaccination efforts.

Meanwhile, 43 NAHLN labs are now approved to do initial FMD testing during investigations, and National Veterinary Services Laboratories and NAHLN have held a series of exercises to test their surge capacity in the event of an outbreak.

Scientific advances are happening all the time. Perhaps you heard recently that USDA scientists have developed a new cell line to rapidly and accurately detect foot-and-mouth disease in field samples that come directly from naturally infected animals. Scientists have applied for a patent on the new cell line and are making plans to distribute it to diagnostic laboratories in the United States and other countries.

So, if a foreign animal disease gets through our defenses, we are prepared. But the reality of the situation is that we have 700 fewer employees than we used to. So that's 700 fewer people we can deploy in case of an emergency.

That necessarily means that an emergency response will look different than it did only a few years ago. Total eradication, in some cases, is just not possible. So we have to acknowledge some increased level of risk.

We also have cut back on the funding we provide to States. This has impacted States' abilities to hire agriculture positions at the State level. So there is a level of increased risk there as well.

But as test pilot Chuck Yeager has said: "You don't concentrate on risks. You concentrate on results."

Knock on wood, the results have been good. Our border protection is strong. We have been working for 10 years now with Customs and Border Protection. In that time, the relationship between our agencies has become stronger. I feel the leadership and inspectors there fully appreciate agricultural issues and needs, and we are working closely with them to make this system work.

Trade Success

Although it might make it easier to keep out disease and pest threats, we're not going to wall off the United States and stop all agricultural trade.

For one thing, we'd all miss some of our favorite foods. But, more importantly, all of us understand that if the United States put up onerous barriers to trade, other countries are going to reciprocate and block off U.S. products, and that would be devastating for both U.S. producers and the economy.

Ensuring the free flow of safe and healthy agricultural trade is a key part of the APHIS mission. We help strike that balance between broadening international trade pathways for America's agricultural products and ensuring that our agricultural resources are protected from foreign pests and diseases. It's a risk-reward relationship, with a basis in science.

The purpose of this gathering is to talk about the risk. And here's the reward: The past few years have been the best for farm exports in our Nation's history, and last year agricultural exports totaled $135.8 billion—the second highest total on record.

In cooperation with the Office of the U.S. Trade Representative and USDA's Foreign Agricultural Service, APHIS had a number of significant trade successes. Here are a few:

- We resolved 150 sanitary and phytosanitary issues involving U.S. agricultural exports, with an estimated market value is $2 billion.
- Exports of live swine, poultry, and horses to China increased by nearly 40 percent.
- Japan agreed to permit the import of U.S. beef from cattle less than 30 months of age, which we estimate will result in hundreds of millions of dollars in exports of U.S. beef to Japan in coming years.
- Buyers from Turkey, Russia, Canada, Mexico, Kazakhstan, and countries in South America and the Middle East continued to increase their imports of live cattle last year.
- And starting this year, Japan is permitting the import of beef from cattle less than 30 months of age. This is expected to result in hundreds of millions of dollars in exports of U.S. beef to Japan in coming years.

Conclusion

Thank you for the invitation to be part of this workshop. All of us at APHIS appreciate the opportunity to talk about our work, and we look forward to hearing your insights and perspectives.

If you have any questions, I'd be happy to try to answer them.
