



COUNTRY OF ORIGIN LABELING

Background

Section 10816 of the 2002 farm bill (7 U.S.C. 1638) requires retailers to inform consumers of the country of origin of a covered commodity. Commodities included in this Country of Origin Labeling (COOL) law are beef, lamb, pork, farm-raised and wild fish and shellfish, fruits and vegetables, and peanuts. Processed food items and poultry products are exempted from labeling by the statute. Additionally, the COOL provision does not cover certain commodities sold at designated retail establishments (i.e., restaurants and food service are exempt) and does not mandate particular product tracing systems. The law does require that all suppliers of covered commodities furnish retailers with information indicating the country of origin of a covered commodity. COOL, by definition, encompasses products that have otherwise been determined to be safe and appropriate for human consumption.

Subsequent Agriculture Appropriations Acts delayed implementation of mandatory COOL for all commodities except fish and shellfish until September 30, 2008. The mandatory COOL requirements for fish and shellfish became effective April 4, 2005.

The World Trade Organization allows for COOL so long as the labeling does not seriously damage the imported products, materially reduce their value, or unreasonably increase their cost.

General Opinions Expressed

- Many comments supported immediate implementation of mandatory COOL for meats, meat products, and produce, while a few comments expressed a preference for voluntary COOL.
- Some comments noted that COOL would enable U.S. producers to better compete with international competitors.
- Several comments referenced Florida's COOL program as a model for implementing COOL in a cost-effective manner.
- A few comments suggested the expansion of COOL to such products as honey, macadamia nuts, coffee, grains, forest products, and all seafood.
- Several comments suggested that mandatory COOL should be integrated with the mandatory animal identification system.

Detailed Suggestions Expressed

- Once programs, such as COOL, are passed as part of a farm bill, USDA should not seek changes to funding levels or implementation dates.
- Region of Origin labeling would be even more effective than COOL.
- COOL should be expanded to cover restaurants and other retail food service operations.
- The USDA Grade Shield should only be applied to products from animals born, raised, and processed in the U.S.
- The current penalties to retailers for COOL violations are excessive and need to be revised.
- Domestic cattle born prior to the implementation date of COOL regulations should be “grandfathered” so that they would be eligible to be labeled as domestic.
- The labeling requirements for COOL should be applied equally to all beef products. For example, COOL currently does not apply to beef hot dogs.
- The recordkeeping requirements for COOL should not be overly burdensome to producers.