U.S. Would Allow Meat Industry to Limit Exports to South Korea

By Mark Drajem Bloomberg June 12, 2008

NEW YORK -- The Bush administration won't stop U.S. meat exporters from voluntarily limiting exports to South Korea to defuse tensions over the risk of mad cow disease, U.S. Agriculture Secretary Ed Schafer said.

Schafer said his staff met with envoys from South Korea President Lee Myung Bak yesterday and the two sides haven't resolved issues over beef trade. Lee's administration says it wants the U.S. to limit beef exports to cattle aged 30 months or younger, which it says has a lower risk of mad cow disease.

If the U.S. meat industry agrees to voluntary restrictions on its exports "we're not going to object," Schafer said in an interview. But the U.S. government "hasn't changed its policy" of wanting South Korea to completely open its market to U.S. beef.

In April, Lee agreed to reopen the Korean market to all cuts and ages of U.S. beef, sparking nationwide protests. The protests forced the government to delay imports for a third time, and Lee's cabinet offered to resign.

Agriculture minister Chung Woon Chun said on June 3 the government had asked the U.S. not to export beef from cattle aged 30 months and older and won't resume imports until the U.S. replies.

South Korea banned the meat in 2003 when the U.S. discovered a case of mad-cow disease, also known as bovine spongiform encephalopathy. The restrictions were partially lifted in 2006 before imports were halted again last October after prohibited bone fragments were found in shipments.

--With reporting by Sungwoo Park in Seoul. Editors: Jim O'Connell, Laurie Asseo.

[&]quot;The situation now is obviously in flux," Schafer said.