



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 6/24/2002

GAIN Report #IS2007

## Israel

### Sanitary/Phytosanitary/Food Safety

### Israel's First Case of BSE

## 2002

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#### Report Highlights:

**Mad Cow Disease has been discovered in Israel, triggering the implementation of an emergency program. Under the program, no cattle older than 30 months can be sold to the Palestinian Authority. Discovery of BSE in Poland has stopped imports of more than 50,000 calves for fattening from the country. This opens export opportunities for 50-80 thousand calves from the U.S. Critical issues include price FOB, shipping costs and veterinary requirements. Israel allows importation of livestock from 18 northwestern U.S. states.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Cairo [EG1], IS

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## Executive Summary

After diagnosing its first case of Bovine Spongiform Encephalopathy - BSE or mad cow disease, the Director of the Israel Veterinary Services declared that the probability of new cases showing up is very slight – in the order of 2 or 3 per million. In 1988 Israel was one of the first countries to ban importation and use of ruminant protein meals, the presumed usual source of BSE. One hypothesis as to the source of the disease just discovered in Israel is that some poultry or fish protein meal was contaminated with illicit ruminant protein. Upon discovery of the disease, the Ministry of Agriculture began implementation of a 10 million emergency plan to prevent diseased meat from entering the human food chain. The program will cover both Israel and the Palestinian Authority. Discovery of the disease has not visibly affected the demand for beef in Israel.

On June 4, 2002 the Israel Veterinary Services (IVS) received confirmation that the country's first case of Bovine Spongiform Encephalopathy (BSE or Mad Cow Disease) had been discovered in a 10-year old dairy cow. The cow was located in a kibbutz dairy herd in the Golan Heights. Israel's Kimron Veterinary Institute's initial findings were confirmed by the OIE (Organization International Epizootic) reference laboratory in Bern, Switzerland. The same lab ruled out BSE in the brain tissues of three of the mad cow's offspring and two other milking cows which had been acquired from the same source and were of the same age.

Dr. Oded Nir, IVS Director, stated that IVS risk assessments indicate an extremely low probability of cows in the Israeli herd contracting the disease - in the order of 2 or 3 per million. The bovine population of Israel totals some 400 thousand animals: 245,000 in the dairy herd, 75,000 imported calves for fattening and some 80,000 mother cows, heifers and calves in the domestic beef herd.

## Early bans on ruminant protein meals

Israel does not grow any feed grain for its livestock and poultry industries; the industry is heavily dependent on imported grain and feed meals. Until the end of the eighties, animal protein in various forms - much of it from ruminants - was an important component of the imported feed. When BSE and the new variant Creutzfeld-Jacob Disease appeared in the United Kingdom in 1988 and became a serious world animal and human health issue, Israel banned meat and bone meal (MBM), initially only from the UK but two years later from any source. This included pet food which contained ruminant protein. For several years, feather meal and other poultry MBM could be imported but later it too was banned.

Israel's trade statistics indicate imports of some 17,000 mt of animal protein meal in the first half of the previous decade. Between half and two-thirds of this was from the United Kingdom. By 1994 the quantity had dropped to 7,500 mt. According to the IVS, the entire amount consisted of poultry meat and bone meal and feather meal. Importers were granted licenses to source only from plants inspected

and approved by the IVS for export to Israel. During the same period fish

meal imports fluctuated between 7,000 mt and 62,000 mt.

One hypothesis as to the source of Israel's case of BSE is that some of the imported poultry meal, or even some of the fish meal might have been illicitly mixed with materials of a tainted ruminant source.

Israel is presently under supervision of the European Union with respect to its animal feeds and has been found to be adhering strictly to the European standards. The IVS introduced a BSE surveillance program in 1996. It included the testing of "downer" adult cattle and random sampling of both healthy and suspect animals. Reportedly, the cow infected with BSE was tested routinely under this program.

### **Emergency program initiated**

With the discovery of this first case of BSE the Veterinary Services began to implement an emergency program which had been prepared last year for just such a contingency. This \$ 10 million program involves performing brain tissue tests on all slaughtered animals over the age of thirty months, including some 40,000 culls from the dairy herd, and the cremation of target organs such as the central nervous system and certain internal organs of 35,000 calves over one year of age that are considered to be at risk. The cost of the program includes compensation of cattlemen for the lost income from those organs to be destroyed.

The Israeli public does not seem overly concerned with the dangers inherent in the discovery of BSE in the country. Newspaper articles and radio interviews indicate that the demand for beef has not been affected. McDonald's Israel has come out with a strong newspaper advertising campaign which informs the public that since its inception in 1993, the chain has used imported Latin American beef in its hamburgers. McDonald's thus claims that there is no danger, therefore, in eating their hamburgers.

### **Trade policy changes**

Almost 100 percent of Israel's 120,000 head dairy herd is of local extraction. The beef herd is also out of local dams. Until recently, however, beef consumption was two-thirds from imported frozen meat, mainly from Latin America which is known to be free of BSE, and one-third from fresh beef from domestic slaughter of dairy culls and from a small 50-60 thousand head beef herd. Prior to 1997, calf imports for fresh beef production were allowed only to mitigate scarcity and prevent prices of fresh beef from rising excessively. The government licensed imports of no more than several hundred head a year. Within the past five years, import policy has changed and Israel has begun a large scale importation of calves for fattening and finishing. Annual calf imports are unlimited. They have risen to more than 100,000 head, unhindered by government intervention. In 2001, calf imports were more or less equally divided between Poland and Australia, with about 2,500 head coming each from Hungary and Cyprus. The majority of imports, 84,500, were for fattening. All of these were young animals, weighing less than 240 kg each. On animals exceeding this weight, a general (mfn) tariff of NS1.20 per kg is due. For animals of U.S. origin the duty is NS0.90 per kg.

One or two-month old calves had been flown in almost weekly from Poland for fattening. Palestinian importers brought in some 30,000 of the 103,000 head in 2001, 22 thousand for fattening and the rest for immediate slaughter. Almost all Palestinian imports were from Australia.

In May 2002, BSE was reported in Poland and the IVS banned any further imports of live cattle from there. Most bovine meat from Poland had been banned earlier. Importers are now searching for an alternative source of supply for the 51,000 head which had been coming from Poland. Increased quantities are now being brought from Hungary as a stopgap measure but present searches by importers are mainly in the western hemisphere. Some traders are examining prospects for obtaining U.S. calves. The main factors affecting a decision are veterinary requirements, prices and shipping arrangements. Although the trade is looking for some 8,500 animals per month, it appears that U.S. livestock shipping lines are not interested in hauling to Israeli ports.

### **The Palestinian Authority**

Israel and the Palestinian Authority (PA) are a single customs entity. The Palestinians have agreed to accept Israel's criteria with respect to entry of imported goods into the country. One important difference is related to religious dietary laws. Israel bans all meat and poultry and their products unless accompanied by a kosher certificate authorized or issued by the Chief Rabbinate of Israel. The PA requires only that the animals undergo traditional Moslem Halal slaughter. The PA is an important customer of Israeli fresh beef. Palestinian dealers buy both live cattle and a large quantity of hind quarters which, according to Jewish ritual, generally are not Kosher.

With the discovery of BSE in the Golan Heights the IVS stopped all sales and transport of live cattle to the PA until the emergency plan could be put into effect. Fresh and chilled meat has been allowed to move as freely as prior to the June 4<sup>th</sup> announcement. Under the new regulations only animals less than 30 months can be sold to the Palestinian market.

**Table 1. Imports of calves by country of sale and by purpose-CY2001**

Number of animals

Source	Fattening	Dairy Herd	Slaughter	Total
Poland	41,800	9,487	0	51,287
Australia	38,006	0	8,943	46,949
Cyprus	2,486	0	0	2,486
Hungary	2,224	300	0	2,524
<b>Total</b>	<b>84,856</b>	<b>9,787</b>	<b>8,943</b>	<b>103,246</b>

**Table 2. Calf imports by purpose and by importing entity**

Number of animals

Purpose	Israel	Palestinians	Total
Fattening	62,598	21,918	84,516
Dairy	9,787	0	9,787
Slaughter	0	8,943	8,943
<b>Total</b>	<b>72,385</b>	<b>30,861</b>	<b>103,246</b>

**Table 3. Estimate of sources of fresh beef - 2001**

Number of animals

Calves fattened from dairy herd	56,000
Dairy culls	43,000
Animals from the beef herd	36,000
Imported calves, 2001 slaughter	95,000
<b>Total slaughter for fresh beef</b>	<b>230,000</b>