

Trade and Markets for GE Crops: A USDA Perspective

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Overview

- **GE crops as a part of US agriculture**
- **Overall trade approach**
- **Trading partner challenges**
- **Outreach**
- **Commodity agriculture**
- **Addressing Low-Level Presence**



Overall policy

- **USDA supports the safe and appropriate use of science and technology, including biotechnology, to help meet agricultural challenges and consumer needs of the 21st century. USDA plays a key role in assuring that biotechnology plants and products derived from these plants are safe to be grown and used in the United States. Once these plants and products enter commerce, USDA supports bringing these and other products to the worldwide marketplace.**



Larger context for GE in agriculture

- **USDA support for all agricultural products includes organic and non-GE as well**
- **Diversity of production approaches aids economic opportunities and rural revitalization**
- **Biotech and non-GE/organic are now linked**
- **Lack of confidence about GE affects all of agricultural trade**
- **Issues around coexistence contribute to pressures on GE domestically**



Global view

- **US is plant biotechnology world leader.**
 - **Science-based decision-making with processes that allow for public input and also address complex legal requirements.**
- **Other countries are also making significant advances.**
 - **Brazil**
 - **China-- research investments.**



Overall US Trade Approach

- **Support for science-based decision making**
- **Vigorous defense of our regulatory decisions, including specific engagement with markets where we have issues**
- **International engagement in key forums**
- **Partner with like-minded countries**
- **Work with key target countries just considering their biotech approaches**



Key trading partner challenges

- **European Union**
- **China**



European Union

- **Ongoing problem despite years of engagement**
- **WTO victory in case brought against the EU in the WTO has not resolved the EU's political issues around the use of biotech**
- **EU actively tries to internationalize their approach**
- **USG and industry have grave concerns about proposed legislation to renationalize import decisions**



China

- **Many years of regular engagement through a variety of fora**
- **Structural systemic problems: guaranteed asynchrony**
- **Lack of transparency**
- **New non-scientific requirements**





And elsewhere...

- **Many other countries import GE-containing products and commodities and are beginning to explore cultivation**
 - **Includes Asian and African nations**



USG Capacity building outreach

- **USDA, USAID, and State Department capacity building and public diplomacy efforts**
- **Support for the development of science-based regulatory systems**
- **Work with local stakeholders to identify local agricultural priority problems amenable to GE solutions**
- **Develop public-private partnerships to leverage useful technologies**



A few emerging GE adopters

- Philippines-- corn
- Vietnam-- corn
- Bangladesh– brinjal (eggplant)



Some other ongoing efforts

- Work with other Southeast Asian nations—
e.g., Indonesia and Malaysia
- Work with SADC countries
 - Helping to facilitate field trials and regulatory harmonization



Trade in a World of Commodities and GE Events

- **Efficient commodity agriculture needs:**
 - **high-yielding and resilient varieties**
 - **commingling of product from many sources**
 - **speed**
 - **efficiencies of scale**



Constraints to commodity trade

- **Regulatory asynchronies between importing and exporting nations**
- **Limited ability to exclude commercial GE events from export streams**
- **Traces of GE events approved in exporting nation but not importing nation may appear in exports**
- **This Low-Level Presence (LLP) poses significant risk for trade disruptions**



Potential responses to LLP

- **Potential importing nation responses:**
 - **Reject the shipment**
 - **Allow the shipment in and ignore the LLP**
 - **Conduct a risk assessment to guide future actions, which may or may not include full approval of the product**
 - **Use some other basis to allow conditional imports of the shipment.**



Testing adds complexity



- **Sensitive testing technologies impose substantial costs and pose additional risks:**
 - **False positives**
 - **Sampling errors**
 - **Costs and technical challenges**
 - **Different results at origin and destination**



US approach for minimizing LLP occurrences

- **Focus on minimizing asynchronies in approvals**
 - Efficient regulatory systems
 - Simultaneous submissions
- **Also a need to address LLP situations should they arise**
 - Regulators need to have information available to be able to evaluate/ensure safety before addressing any legal issues



The Path to Progress

- **Technology advances are necessary and are demanded by farmers**
- **New products are essential for US competitiveness**
- **Each new product potentially poses coexistence challenges**
- **Each new product potentially poses trade problems.**



Moving Forward

- **It is vital that coexistence and trade challenges be addressed to maintain U. S. competitiveness and to meet the global challenges of climate change and food security.**

