

GMO - Outline

1. What is the dispute?

- 1998 European Communities (EC) imposed a BAN on imports that had being genetically modified.
- 2003 the United States along with Canada, and Argentina went before the WTO to contest the EC decisions to Ban GMO imports. US, CA, and Argentina argued that the EC ban had not being based on scientific information.

2. Potential Environmental and Sanitary Issues Related to GMOs.

A. Health Concerns:

- a. New Allergens in the food supply
- b. Antibiotic Resistance
- c. Others: Production of new Toxins, and Concentration of Toxins Metal.

B. Environmental Concerns:

- a. Herbicide Resistant Weeds
- b. Resistant Insect Pest

3. What are the trade related issues, and the trade environmental conflict?

-Opportunities offered by the European market.

-The European Behavior is harmful to American external Trade: moratorium, labelling system.

-Europe is the bad model for other countries, which in turn harms the American Trade.

I. EU could be a good market because:

A. The EU is dependent on US agricultural exports: In 1997, US exports in the EU (with 15 countries at this time).

- Soja and derivatives : 2,725,729,000 Dollars
- Mais : 71,636,000 \$
- Corn Gluten Feed : 540,917,000 \$
- Weed: 197,460,000 \$
- Weed flour: 1,840,000 \$

B. There is a new trends that GMO's could match:

- Huge need for plant proteins that Europe can't match at this time. Plant proteins: 80% of dependence of Europe and the number is increasing (3% rate per year).
- Kind of trend for a less allergen food, that the reduction of pesticides with GMO's could please (if GMO's are not worse ...)

C. Even if there biotechnologies are well developed in Europe (Germany particularly), the trend changed in the last years (because of the protests of consumers): lot of European companies made their experiments in the US / some preferred focusing on medical care rather than on GMO's... So American firms could have a noteworthy advantage...

II. Resistance is harmful to Americans firms (who want to export products in Europe, or sell seeds, or plant in Europe):

Consequences of the de facto Moratorium:

When lodging their complaint: US affirm that the moratorium led to 300 millions \$ loss only in the sector of soja/ October 2003: Monsanto announced the European market is not profitable: close all its facilities (where there were seeds facilities) in UK, France, Czeck Republik/ 1999: To comply with consumers fears mainly in Europe: some companies announce the end of use of GMO's (Novartis for babys' food/ Gerber/ Heinz...)

a. Although the moratorium is supposed to have been suppressed: still resistance to accept products: Number of accepted : 5 (1 soja, 2 kinds of colza, 2 kinds of mais)...but still 19 species on waiting list (cotton, beetroot, mais...) in 2004: very slow.

b. Effects of the labeling: 2 bad effects: 1. effect on the consumer (already worried by scandals like 'mad cow' / huge Bio market in Germany...). 2. American Soybean association fears production costs increase up to 50 percents because of documentation procedures required to enter the market...

III. European behavior harms US exports also in other countries.

-US claims that the European behavior is a bad example for other countries as well, and generate losses for the US even . Famous case: Zambia, January 2003: refusal of . Bush: Europe is immoral...causes the death of thousands of Africans... American firms had found some markets in Africa for their agricultural surpluses/ gives also long term markets.

Ethical Issues:

-GMO acceptance rate around the world, including my personal experiences this past summer.

-Monsanto, what it have been researching, where they would apply their GM plants. pros and cons on what Monsanto is trying to do.

-Pros: Jim Watson (The first scientist to find out the shape of the DNA structure) and the idea behind the Cold Spring Harbor lab.

-Cons: Green Peace. Nature should remain the way it should be.

-Some GMO products that US was trying to import are, corns, mais, and many types of seeds. More listed on the bottom by Christine.

- At the time of the moratorium, the US government, supported by big firms like Monsanto, claimed that the European moratorium led to millions of dollars of loss for the US companies:

4.Facts and claims related to the case:

- 2001: EC Directive 2001/18--Mandates "step-by-step approval process on a case-by-case assessment of the risks to human health and the environment before any GMO or product consisting or containing GMOs...can be released into the environment or placed on the market."

- Novel Food Regulation--accompanies 2001/18, mandates labeling of a novel food product to indicate presence of GMOs, was instated in response to consumer fears over health, environmental and concerns.

- October 18th, 2003-- New regulations expand upon 2001/18 and Novel Foods

1. Regulation 1829/2003 "Food and Feed Regulation"--sets strict guidelines for GMO producers, must send in application to European Food Safety Authority (EFSA) including:

A. Production processes

B. Scientific evaluation of adverse consequences

C. Statement that no ethical or religious concerns arise

D. Proposal for monitoring to determine future effects

E. Proposal for labeling

2. Regulation 1830/2003 "Traceability and Labeling Regulation"--foods with more than .9% genetic modification must be labeled; any less than this deemed technically unavoidable

- If there is a list of ingredients, ingredients must be preceded by "genetically modified..." or "made from genetically modified..."

- If no list of ingredients, presence of GMOs must appear clearly on label.

WTO Evaluation:

EC Claim: SPS- Members can "take sanitary and phytosanitary measures necessary for the protection of human, animal, or plant life...consistent with the provisions of this agreement" (one of the provisions lists:) "...and packaging and labeling requirements directly related to food safety."

US Counter-claim: Food safety is not the same as protecting consumer interests not based on clear science indicating that danger exists.

How do we identify whether food safety is at risk? SPS directs to Codex Alimentarius Commission, which has not yet reached a decision about whether GMOs present a risk to food safety. SPS, as a secondary option, suggests looking to definitions from other International organizations and regimes.

EC Claim: The next logical step is the 2000 Cartagena Protocol on Biosafety, which advocates use of the precautionary principle.

US Counter-claim--Cartagena is not universally accepted international law signed by all parties involved in this dispute (US never ratified). SPS also includes a requirement that measures must not be "more trade restrictive than required to achieve their appropriate level of sanitary or phytosanitary protection, taking into account technical and economic feasibility

TBT:

US Claim: TBT serves to "ensure that technical regulations and standards, including packaging, marketing and labeling requirements...do not create unnecessary obstacles to international trade"

EU Claim: TBT also asserts that "No country should be prevented from taking measures necessary to ensure the quality of its exports, or for the protection of human, animal or plant life or health."

GATT 1994 Article III:

Disallows discrimination based on process and production methods (PPMs) if physical characteristics of final product are identical (non-product-related PPMs). The EU, however, claims that GMO products are significantly changed and the PPMs are therefore product-related.

Sources:

- 1.http://www.ucsusa.org/food_and_environment/genetic_engineering/
- 2.<http://www.gmofree-europe.org/>
- 3.<http://are.berkeley.edu/courses/EEP131/GMOBoisson.pdf>
- 4.<http://are.berkeley.edu/courses/EEP131/WinikoffGMO.pdf>