



Corn Refiners Association– U.S.-EU Biotechnology Issues

Inconsistent policies concerning biotechnology in export markets have been a time-consuming and costly issue to members of the Corn Refiners Association and other segments of U.S. agriculture. In particular, the continuing inability of the European Commission and its member countries to process applications for new biotechnology varieties in a timely manner has all but eliminated the market for U.S. corn gluten feed in Europe.

These delays are exactly the type of measures found to be inconsistent by the World Trade Organization (WTO) with its *Agreement on the Application of Sanitary and Phytosanitary Measures* in September 2006. Despite the definitive ruling from the WTO, we believe the European Union has, to date, failed to comply with its findings. We believe that a priority trade enforcement issue for the incoming administration should be to use whatever diplomatic, and if appropriate, legal and/or retaliatory measures it has available to ensure compliance with this ruling and restore U.S. access to the European Commission for corn gluten feed.

The Corn Refiners Association believes that national and international regulation of biotechnology must be based on a science-based risk assessment for both the development of new crop varieties and their introduction into the marketplace. We also support the greatest degree of harmonization of risk assessment and threshold policies through international standard setting bodies such as the Codex Alimentarius Commission.

Eighty percent of the U.S. corn crop is now produced using seed varieties improved through modern biotechnology. Corn refiners have supported development of this technology as a tool for farmers to produce more abundant and high quality corn grain and as a means for developing new output traits to benefit consumers.

Importance of Restoring Corn Gluten Feed Trade with Europe

The corn gluten feed market in Europe was worth nearly \$300 million to U.S. exporters. However, it has nearly disappeared because of undue delay by the European Union in considering import applications for a number of key corn varieties that have been embraced by U.S. farmers. While European consumers continue to resist adoption of biotechnology in food products, this reluctance does not extend to the market for animal feed where biotechnology is widely accepted.

The dramatic decline in the corn gluten feed market can be directly attributable to the European Union's failure to complete consideration of applications for two corn varieties, Syngenta MIR604 and Monsanto 88017. Applications have been on file for these products for 46 and 37



months, respectively. And, neither product has yet been granted a complete assessment by the European Food Safety Authority – a necessary pre-requisite for consideration in the executive committees of the European Commission. By contrast, similar applications in countries such as Japan, Korea, Australia, Mexico and the United States generally take 12 – 24 months for full review and decision.

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