



# INTERNATIONAL GRAIN TRADE COALITION

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**AWB Limited**

**Canada Grains  
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**Centro de  
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**COCERAL**

**Grain and Feed  
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**Hungarian  
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**National  
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**North American  
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**National  
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**Russian Grain Union**

**Solvent Extractors'  
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**Soybean Processors  
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**US Grains Council**

**US Wheat  
Associates**

**Wheat Export  
Trade Education  
Committee**

## **Notice To Trade #3**

The Government of Mexico has posted the United States / Canada / Mexico trilateral arrangement on the Biosafety Clearing House defining documentation requirements for the transboundary movement of living modified organisms for food, feed or for processing.

The documentation requirements under Article 18.2(a) will be determined at the first Meeting of the Parties to the Cartagena Protocol on Biosafety to be held in Kuala Lumpur 23-27 February 2004.

The International Grain Trade Coalition is recommending to governments that the terms of the Trilateral Arrangement be used as the template for an interim solution to the documentation requirements outlined in the first sentence of Article 18.2(a) while an Expert Committee process examines whether or not additional information is necessary.

The IGTC's detailed recommendations to governments are attached.

## **International Grain Trade Coalition**

### **Article 18.2(a) Recommendations**

#### **COP/MOP-1**

**KUALA LUMPUR, MALAYSIA**

**23-27 FEBRUARY 2004**

### **International Grain Trade Coalition**

- The International Grain Trade Coalition (IGTC) was formed in June 2001 to advise governments on how to implement the Cartagena Protocol on Biosafety to protect global diversity while meeting the needs of the world's food, feed and processing industries. The Coalition today has 17 trade organizations that are national or international in scope in nine countries that in turn represent more than 2500 members in more than 80 countries. (See attached list)
- In September 2002 the Coalition broadened its mandate beyond the Biosafety Protocol to include advice to governments on the commercial requirements and economics of the world's food, feed and processing industries.

**Outline of Issue:** Article 18.2(a) of the Biosafety Protocol defines the documentation requirements for the transboundary movement of LMOs for food, feed or processing. It states that each Party (government) shall take measures to require that documentation accompanying:

“ Living modified organisms that are intended for direct use as food or feed, or for processing, clearly identifies that they “may contain” living modified organisms and are not intended for intentional introduction into the environment, as well as a contact point for further information. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall take a decision on the detailed requirements for this purpose, including specification of their identity and any unique identification, no later than two years after the date of entry into force of this Protocol;”

#### **COP/MOP-1**

The first Meeting of the Parties to the Cartagena Protocol on Biosafety (COP/MOP-1) will be held in Kuala Lumpur, Malaysia 23-27 February 2004. Three meetings of the Intergovernmental Committee on the Cartagena Protocol (ICCP) and one Expert Committee Meeting failed to clarify the documentation requirements under Article 18.2(a) and the issue has been referred to COP/MOP-1 for decision. The Protocol's Executive Secretary prepared a document on Article 18.2(a) to facilitate the decision making process at COP/MOP-1. (UNEP/CBD/BS/COP-MOP/1/7). The document contains Draft Decisions that the Parties may wish to consider adopting.

### **Interim Decision**

The Executive Secretary's document notes that the second sentence requires the Parties to the Protocol to take a decision on the detailed requirements specified in the first sentence no later than two years after the date of entry into force of the Protocol and therefore says that any decision taken at COP/MOP-1 “would

only be interim until the decision referred to in the second sentence of the same paragraph on the detailed requirements is taken”.

### **IGTC Recommendation**

**The IGTC supports the Executive Secretary’s recommendation to focus at COP/MOP-1 on an interim solution to address the immediate documentation requirements contained in the first sentence of Article 18.2(a).**

#### **Why?**

- The first sentence of Article 18.2(a) came into force on 11 September 2003.
- Considerable confusion exists on how the first sentence should be interpreted.
- There is an immediate need to clarify the first sentence.
- The need to clarify the first sentence is leading to regional arrangements to define documentation requirements for the transboundary movement of living modified organisms for food, feed or for processing in order to avoid possible commercial disruptions.
- An interim solution would facilitate global harmonization of regulations.
- An interim solution would provide operational experience before a decision is taken on the second sentence.

### **Interim Article 18.2(a) Documentation Requirements**

1) The Draft Decision Document “*Invites Parties to the Protocol and other Governments to take measures to ensure the use of [a commercial invoice] [other document provided by the originator and/or required by existing international documentation system] [a stand alone document] as documentation that should accompany living modified organisms that are intended for use as food, feed or for processing for the purpose of identification by incorporating the information requirements of the first sentence of paragraph 2 (a) of Article 18 into such document, until decided otherwise;*”

### **IGTC Recommendation**

**The IGTC recommends that the commercial invoice should be used as the document to contain the information required in Article 18.2(a).**

#### **Why?**

- Every international grain transaction has an invoice.
- Every invoice contains appropriate shipment information such as the commodity, quality and quantity.
- LMO information is on same document in every transaction.
- Import officials do not need to look through all documents to find information.

- Stand-alone document could cause confusion within international banking circles and cause delays in shipments.

2) The Draft Decision Document “*Requests* Parties to the Protocol and other Governments to take measures ensuring that documentation accompanying living modified organisms that are intended for use as food, feed or for processing states that the shipment may contain living modified organisms intended for direct use as food or feed, or for processing, that are not intended for intentional introduction into the environment;”

### **IGTC Recommendation**

**The IGTC recommends that the wording recommended by the Executive Secretary be used.**

#### **Why?**

- Accurate, easy to understand.
- Consistent with wording of first sentence of Article 18.2(a).
- Works for all commodities.
- Informs governments that the LMOs may be contained in the transboundary shipment to their country.
- Most countries at the Expert Committee Meeting on Article 18.2(a) supported the wording.

3) The Draft Decision Document “*Further requests* Parties to the Protocol and other Governments to provide, in the documentation accompanying living modified organisms that are intended for use as food, feed or for processing, information regarding the details of the last exporter and the first importer in the process of the transboundary movement [or any other appropriate authority], as contact points for further information;”

### **IGTC Recommendation**

**The IGTC recommends that the bracketed text be deleted and that the last exporter and the first importer involved in the transboundary movement be named as contact points for further information.**

#### **Why?**

- The initial point of contact in all shipments should be consistent.
- The last exporter and the first importer know the contents of the shipment.
- The first importer will be in the same time zone and will be able to speak the same language as the import official.
- The last exporter and the first importer know where to obtain further scientific information on the contents of the shipment, if required.

4) The Draft Decision Document “*Urges* Parties to the Protocol and other Governments to encourage exporters of living modified organisms that are intended for use as food, feed or for processing under their jurisdiction to declare, in documentation accompanying transboundary movements known to intentionally contain living modified organisms that are intended for use as food, feed or for processing, that the shipment contains living modified organisms that are intended for use as food, feed or for processing;”

### **IGTC Recommendation**

**The IGTC recommends that the “may contain” documentation be used for all transboundary movements of commodities intended for food or feed, or for processing, where an LMO of that commodity species is authorized<sup>1</sup> in, or sold from, a country of export, except:**

- **Shipments for which the exporting country does not have in commerce any LMO of that species; or**
- **When the exporter and importer have contractually defined a “non-LMO shipment;” provided, that such a shipment achieves a minimum of 95 percent non-LMO content, and that such definition does not conflict with regulations of the importing country.**
- **Adventitious presence of LMOs in a non-LMO shipment should not be considered a trigger for the “may contain” documentation.**

### **Why?**

- **Recognizes that a zero threshold is impossible within commercial bulk handling systems.**
- **Removes legal concerns regarding the recommendation to use the intention of the exporter as the criteria to be used to define when LMO documentation should be used.**
- **Accommodates tighter thresholds for specific commodities by individual countries.**
- **Doesn’t force higher cost/tighter thresholds upon countries with no biodiversity risk, recognizing that the tighter the threshold, the higher the cost.**
- **Maintains the integrity of the Protocol by removing the need for exporters to label all bulk export shipments on non-LMO crop because of possible trace quantities of LMOs in the form of adventitious materials**

5) The Draft Decision Document recommends COP/MOP-1 to decide “to establish an ad hoc technical expert group on identification requirements of living modified organisms that are intended for use as food, feed or for processing to assist the Conference of the Parties serving as the meeting of the Parties to the Protocol in taking the decision referred to in the second sentence of paragraph 2 (a) of Article 18 of the Protocol, on the basis of the terms of reference specified in the annex to this decision;”

### **IGTC Recommendation**

**The IGTC supports the Executive Secretary’s recommendation to establish an ad hoc technical expert group to address issues associated with the second sentence of Article 18.2(a).**

### **Why?**

- **The second sentence raises considerable technical questions that can best be addressed by a group of technical experts.**

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<sup>1</sup> Needs to be clarified as varies among countries. For example, approved for unconfined release (Canada), deregulated (United States), or approved (Mexico), noting that the Biosafety Clearing House is an important reference tool.

6) The Draft Decision Document “*Requests* Parties to the Protocol, other Governments and relevant international organizations to provide to the Executive Secretary by 30 June 2004:

(a) Information on their experience, if any, in the implementation of the requirements of the first sentence of paragraph 2 (a) of Article 18; and

(b) Their views regarding the detailed requirements referred to in the second sentence of paragraph 2 (a) of Article 18, including specification of the identity of the LMOs that are intended for direct use as food or feed, or for processing (whether the extent of information should include taxonomic name, the gene modifications inserted and traits or genes changed); threshold levels in the case of co-mingling of LMOs with non-LMOs, and possible linkages of the issue with Article 17 of the Protocol; the “may contain” language; and any unique identification;”

### **IGTC Recommendation**

**The IGTC supports the Executive Secretary’s request to submit background information to the Secretariat prior to the meeting of the technical expert group but recommends that the deadline for information be extended to March 2005.**

### **Why?**

- The technical expert group should benefit from the operational experience gained in the implementation of sentence one under the interim solution through an entire crop year.

7) The Draft Decision Document “*Requests* the Executive Secretary to prepare a synthesis of the information and views referred to above, for the consideration of the ad hoc technical expert group mentioned in paragraph 5 above, and to convene, subject to the necessary financial resources being made available, the meeting of the ad hoc technical expert group, with due regard to geographical representation, and to submit the report and recommendations of the technical expert group to the second meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol;”

### **IGTC Recommendation**

**The IGTC supports the preparation of a synthesis report by the Secretariat but urges the composition of the ad hoc technical expert group to reflect not only geographic representation but also a balance of technical experts from importers and exporters with significant experience and from developed and developing countries.**

### **Why?**

- The ultimate solution to the documentation requirements of Article 18.2(a) must meet the requirements of both importing and exporting countries and developed and developing countries.

8) The Draft Decision Document “*Urges* developed country Parties and other donor Governments to make financial contributions necessary for the convening of the meeting of the ad hoc technical experts group established under paragraph 5 above, including financial support for developing country experts who will be selected to participate in the meeting.

## **IGTC Recommendation**

**The IGTC supports the Executive Secretary’s request to governments for financial support for technical experts from developing countries.**

### **Why?**

- The ultimate solution to the documentation requirements of Article 18.2(a) must meet the requirements of both importing and exporting countries and developed and developing countries.

The Draft Decision Document also contains the draft terms of reference for the technical experts group:

*Taking into account* the need for the Conference of the Parties serving as the meeting of the Parties to the Protocol to take a decision on the detailed requirements of identification of LMOs that are intended for use as food, feed or for processing in accompanying documentation, including specification of their identity and any unique identification, no later than two years after the date of entry into force of the Protocol, and

*“Considering:* (i) the report and recommendations of the Meeting of Technical Experts on the Requirement of Paragraph 2 (a) of Article 18; (ii) the Chair’s summary of Working Group I of the discussion regarding paragraph 2 (a) of Article 18 at the third of ICCP; (iii) the decision of the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol; and (iv) the information and views provided by Parties to the Protocol, other Governments and relevant international organizations in accordance with paragraph 6, of decision A above.

### **“The Ad Hoc Technical Expert Group shall:**

“1. Examine the issues of specifying the identity of LMOs that are intended for use as food, feed or for processing and unique identification mentioned in the second sentence of paragraph 2 (a) of Article 18 in relation to the “may contain” language of the first sentence of the same paragraph, and any other issues that may be relevant to the elaboration of the detailed requirements of identification of LMOs that are intended for use as food, feed or for processing, including:

- (a) What documentation may be appropriate to accompany LMOs that are intended for use as food, feed or for processing for the purpose of Article 18, paragraph 2 (a);
- (b) What information should the accompanying documentation provide;
- (c) Thresholds for adventitious or unintentional presence of LMOs that may be needed to trigger identification requirements;
- (d) The extent and modality of using unique identifiers;
- (e) Harmonization of sampling and detection techniques.

“2. Propose recommendations regarding issues mentioned in paragraph 1 above, for the consideration of the Conference of the Parties serving as the meeting of the Parties to the Protocol.

“3. Complete its work in time for the second meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol.

## IGTC Recommendation

**The IGTC recommends that the terms of reference of the Expert Committee be broadened to examine the operational results of the implementation of the first sentence and the information contained in the Biosafety Clearing House to determine whether or not additional documentation requirements are necessary.**

### Why?

- Exporters will ship only LMOs that have been approved by countries of export and countries of import.
- The Biosafety Clearing House contains detailed information on all events approved for commercial production within exporting countries and approved for import within importing countries.
- Documentation accompanying shipments should be designed to compliment the information contained within the Biosafety Clearing House, not replace it.
- The Expert Committee should take advantage of the experience gained in the implementation of the first sentence.

## International Grain Trade Coalition Members and Contact Points

**The Grain and Feed Trade Association (GAFTA):** GAFTA is the only worldwide trade association representing the interests of members, who trade in grains, feeding stuffs, pulses and rice internationally, with over 800 members in 80 countries. **Contact Point:** Pamela Kirby Johnson, Director General, GAFTA House, 6 Chapel Place, Rivington Street, London, EC2A 3SH, United Kingdom, Tel: 44 20 7814 9666, Fax: 44 20 7814 8383 Email: [PamelaKirbyJohnson@gafta.com](mailto:PamelaKirbyJohnson@gafta.com)

**The North American Export Grain Association (NAEGA):** NAEGA is comprised of grain and oilseed exporters and interested parties whose purpose is to promote and sustain the development of commercial export grain and oilseed trade from the United States. NAEGA members include 35 private and publicly owned companies and cooperatives domiciled in the United States and Canada. **Contact Point:** Gary C. Martin, President and CEO, North American Export Grain Association, Incorporated, Suite 1003, 1250 Eye Street NW, Washington, D.C. 20005, Tel: 202 682 4030, Fax: 202 682 4033, Email: [gcmartin@naega.org](mailto:gcmartin@naega.org)

**COCERAL:** COCERAL is the representation of the European trade in cereals, feedstuffs, oilseeds, olive oil, vegetable oil and agrosupply. It comprises the trade organizations in 15 EU member states, that for their part represent collectors, distributors, exporters, importers and storekeepers of the above-mentioned commodities. Furthermore COCERAL has associated members in Hungary, Poland and Switzerland. **Contact Point:** Klaus Schumacher, Chairman, or Chantal Fauth, Secretary General, COCERAL, 18 Square de Meeus, B 1050 Brussels, Belgium, Tel 02 502 08 08, Fax 02 502 60 30, Email: [secretariat@coceral.com](mailto:secretariat@coceral.com)

**Canada Grains Council (CGC):** CGC has a membership of about 30 organizations involved in Canada's grains, oilseeds, pulses and special crops industry including producers, handlers, transporters, processors,

exporters, banks and provincial and federal governments and their agencies. **Contact Point:** Dale Adolphe, Chairman Biosafety Committee, or Patty Rosher, Member, Biosafety Committee or Dennis Stephens, Consultant, Canada Grains Council, 1215-220 Portage Avenue, Winnipeg, MB, R3C 0A5, Canada Tel 204 925 2133, Fax 204 925 2132, Email: [dstephens@canadagrainscouncil.ca](mailto:dstephens@canadagrainscouncil.ca)

**AWB Limited (Australian Wheat Board):** AWB Limited is Australia's major national grain marketing organization and is one of the world's largest wheat management and marketing companies. It is involved in the management and marketing of wheat (for which it is the nation's exclusive bulk exporter) as well as other grains including barley, sorghum, oilseeds and pulses. **Contact Point:** James Molan or Mathew Foran; Ceres House, 528 Lonsdale Street, Melbourne 3000, Victoria, Australia Tel 61 3 9209 2555; mobile 61 407 920 911; email [jmolan@awb.com.au](mailto:jmolan@awb.com.au). or [mforan@awb.com.au](mailto:mforan@awb.com.au)

**National Grain and Feed Association (NGFA):** NGFA consists of 1,000 grain, feed, processing and grain related companies that operate about 5,000 facilities that store, handle, merchandise, mill, process and export more than two-thirds of all US grains and oilseeds. About 70% of NGFA member firms are small businesses — country elevators and feed mills. Also affiliated with NGFA are 36 state and regional grain and feed associations. **Contact Point:** Mr. Tom O'Connor, Director of Technical Services, National Grain and Feed Association, Suite 1003, 1250 Eye Street NW, Washington, D.C. 20005. Email [toconnor@ngfa.org](mailto:toconnor@ngfa.org)

**Soybean Processors Association of India (SOPA):** SOPA is an all India based association having a membership of 600 members representing processing industries, exporters, buyers, brokers, surveyors, analysts as well as farmers. The Association members are actively involved in trading soybean meal for food and feed purposes. **Contact Point:** Mr. D. R. Kalra, Executive Director, Soybean Processors Association of India, Scheme No. 53, Bear Malviya Nagar, A. B. Road, Indore 452 008, India, Email [sopain@bom4.vsnl.net.in](mailto:sopain@bom4.vsnl.net.in)

**ANIAME:** ANIAME is the Association of Oilseed (including soya, canola and sunseeds) Processors in Mexico. **Contact Point:** Lic Amadeo Ibarra, Director General, ANIAME, Praga 39 Piso 3, Col. Juarez, C. P. 06600, Mexico, D.F., Mexico, Email [aibarra@aniame.com](mailto:aibarra@aniame.com)

**Hungarian Grain and Feed Association:** The Hungarian Grain and Feed Association represents 80 –90% of the companies involved in Hungary's milling, grain-export, soymeal-import and feed milling industry. **Contact Point:** Mr. George Makay, General Secretary, Hungarian Grain and Feed Trade Association, Alkotmany U.16.11.9, H-1054 Budapest, Hungary, Email [gabonaszov@mail.datanet.hu](mailto:gabonaszov@mail.datanet.hu)

**The Solvent Extractors' Association of India:** The Solvent Extractors' Association of India was formed in 1963 to help and foster the development and growth of India's solvent extraction industry. At present the Association has about 900 members including about 550 solvent extraction plants having a combined oilcake/oilseed processing capacity of about 30 million tonnes. **Contact Point:** Mr. B.V. Mehta, Executive Director, 142 Jolly Maker Chambers No 2, 14<sup>th</sup> Floor, 225, Nariman Point, Mumbai-400 021 India, Email [solvent@vsnl.com](mailto:solvent@vsnl.com)

**National Corn Growers Association (NCGA):** NCGA is a coalition of 27 affiliated state organizations and represents the interests of 350,000 corn producers in the United States. **Contact Point:** Mr. Fred Yoder,

Chairman, National Corn Growers Association, Email [seedman@netwalk.com](mailto:seedman@netwalk.com) or Hayden Milberg, e-mail: [milberg@dc.ncga.com](mailto:milberg@dc.ncga.com)

**APPAMEX:** The Mexican Association of Providers of Agricultural Products represents organizations involved in the trade of imported and exported agricultural commodities in Mexico. **Contact Point:** Ricardo Calderon, Director, Durango 245 Desp. 203, Col. Roma, 06700 Mexico D.F, phone (5255) 5533-4339, fax (5255) 5525-2776 Email [appamex@prodigy.net.mx](mailto:appamex@prodigy.net.mx)

**US Wheat Associates:** US Wheat Associates is the market development arm of the US wheat industry. **Contact Point:** Nelson Denlinger, US Wheat Associates, Suite 801, 1620 I Street, N.W., Washington, D.C. 20006-4005, Email: [ndenlinger@uswheat.org](mailto:ndenlinger@uswheat.org)

**Centro de Exportadores de Cereales (Chamber of Grain Exporters of the Argentinean Republic:** The Chamber was formed in 1944 and includes the 12 largest grain exporters, marketing approximately 30 million tonnes per year. **Contact Point:** Ciro Echesortu, President, or Gabriel Gilges, General Manager, or Alberto Rodriguez, Bouchard 454 7<sup>th</sup> floor, C1106ABF, Buenos Aires, Argentina, phone 54 11 4311 1697, fax: 54 11 4311 7767, Email: [Cerex@datamarkets.com.ar](mailto:Cerex@datamarkets.com.ar)

**Wheat Export Trade Education Committee:** WETEC is responsible for carrying out activities that advance and help formulate the trade policies of the U.S. wheat industry. **Contact Point:** Barbara Spangler, Executive Director, 415 Second Street, N.E., Suite 300, Washington, D.C. 20002. Tel 202-547-2004, Fax 202-546-2638, e-mail: [Spangler@USWheat.org](mailto:Spangler@USWheat.org).

**US Grains Council:** The U.S. Grains Council builds global markets and serves international customers for U.S. grains through a unique partnership of U.S. producers, agribusiness and the public sector. **Contact Point:** David McGuire, Director of Biotechnology, 1400 K Street NW, Suite 1200 Washington, DC 20005, phone: (202) 789-0789, fax: (202) 326-0660, Email: [dmcguire@grains.org](mailto:dmcguire@grains.org); Web site: <http://www.grains.org>

**Russian Grain Union: Contact Point:** Arkady Zlochevsky, President: 107139, Îñëâà, Îġëèèîâ ïăġâóëîê, 1/11, îòëñ 576, 821: òâë: (095) 207-8256, 207-8285, 207-8345, 207-5279 ôâëñ: (095) 207-8379, 207-5344; E-mail: [rgumsk@dol.ru](mailto:rgumsk@dol.ru)