

19 November 2018 Geneva, Switzerland

Notice to Trade

International Grain Trade Coalition (IGTC) welcomes emphasis on avoidance of trade disruptions in the international statement on agricultural applications of precision biotechnology

The International Grain Trade Coalition (IGTC) welcomes the emphasis on transparency, regulation based on sound-science, and the avoidance of trade disruptions in the "international statement on agricultural applications of precision biotechnology" that has been signed by governments including Argentina, Australia, Brazil, Canada, Colombia, Dominican Republic, Guatemala, Honduras, Jordan, Paraguay, Uruguay, USA, Vietnam, and the Secretariat of the Economic Community of West African States (ECOWAS).

The international statement was tabled by the Government of Argentina during the November 2018 SPS Committee at the World Trade Organization (WTO). The text of the declaration focusses on:

- The potential of precision biotechnology to address challenges to agricultural production and contribute to the sustainable production of food and other agricultural products.
- Global regulatory compatibility to encourage cross-border research collaboration and minimization of possible trade disruptions.
- The need to avoid arbitrary and unjustifiable distinctions between final products derived from precision biotechnology and similar end products obtained through other production methods.
- Central importance of science and risk based regulatory frameworks to ensure safety and the protection of human, animal, plant and environmental health.
- Predictable and transparent regulatory approaches.
- The minimization of unnecessary barriers to trade in relation to regulatory oversight of precision biotechnology products.
- Public communication initiatives to build trust in regulatory frameworks and improve the acceptability of future agricultural innovations.

In response to the international statement, IGTC reiterates its own policy document, which is structured around three key pillars:

1) Safety of the product

Any plant variety derived from the introduction and use of plant breeding innovation placed on the market must be safe and must not pose risks to human and animal health or to the environment. The safety of plants obtained through the application of breeding techniques must be ensured.

2) Regulatory coherence



Worldwide regulatory coherence is of paramount importance to enable trade to continue efficiently and without facing hurdles. This principle is valuable and necessitates the highest attention: authorities across the globe are gradually taking their stance in relation to plant breeding innovations, including their scientific and regulatory classification. A certain lack of compatibility among trading partners is already emerging, posing trade concerns due to the intrinsic characteristics of bulk commodity operations. Indeed, the trade in grains and oilseeds is tied inextricably to global sourcing to achieve a sustainable supply of these basic commodities.

International alignment of regulatory and labelling policies on new plant breeding tools is an immediate need that includes:

- ✓ Legal certainty as a goal;
- ✓ Consistent policy outcomes across relevant global, regional, national and local jurisdictions;
- ✓ Regulatory approaches that are comparable, compatible, and recognized as acceptable by government authorities in key import and export markets to minimize or avert the risk of costly trade disruptions;
- ✓ Support for the least trade-distortive commercial and public measures for both imports/exports and provision for fungibility throughout the supply chain, which is a critical component of agricultural commodities trading.

3) Education and sharing of information

It is the responsibility of the industry using plant breeding innovations to undertake a comprehensive educational effort to inform the public of the benefits and risks, if any, of innovation in plant breeding. This communication is essential to gain consumer acceptance and trust, which is a fundamental requirement to ensure access to the market. The plant breeding sector is encouraged to lead industry efforts to establish public confidence.

The successful introduction of plant breeding innovation varieties into grain value chains will require **exchange of information** between breeding and seed companies, grain producers, handlers, exporters and importers, and the food and feed and processing sectors. This flow of information is fundamental to identify and mitigate any risks related to marketability and public acceptance and to avoid trade disruption, while ensuring regulatory compliance within transboundary movements. To achieve this, it is vital that the trade works with the breeding and seed industry, as well as other stakeholders, to identify, discuss and implement pragmatic, achievable and effective information-sharing solutions.



Notes:

- 1. The full text of the international statement can be read on the WTO website here.
- 2. IGTC's full policy document on plant breeding innovation can be read <u>here</u>.
- 3. IGTC is a not-for-profit association. Its purpose is to provide representation and share expertise on the commercial requirements and economics of the world's food, feed and processing industries.
- 4. IGTC's overarching objective is to achieve a market and regulatory environment supportive of trade that avoids disruptions in the international movement of grain, oilseeds, pulses and derived products.
- 5. IGTC seeks partnership with governmental bodies, international organisations, value chain partners and academic institutions.
- 6. For-profit entities supporting IGTC are welcome to be identified as IGTC Corporate Stakeholders and help guide our work.
- 7. Trade associations and councils working to support international trade of grains. oilseeds, pulses and other agri-bulks are welcome to apply for IGTC.
- 8. For further information please contact IGTC Secretariat Katy Lee secretariat@igtcglobal.org +41 78 932 96 18, 37, Rue de Lausanne, CH1201, Geneva, Switzerland.