STATEMENT OF
THE AMERICAN FARM BUREAU FEDERATION
TO THE
SUBCOMMITTEE ON CONSERVATION,
CREDIT, RURAL DEVELOPMENT AND RESEARCH
OF THE HOUSE COMMITTEE ON AGRICULTURE
REGARDING
AGRICULTURE BIOTECHNOLOGY

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Presented by
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Good Morning Mr. Chairman and members of the subcommittee, I am David Winkles, president of the South Carolina Farm Bureau Federation and a corn, cotton and soybean farmer in Sumter County, South Carolina. I have a special interest in agricultural biotechnology; I served on the secretary of agriculture's first agricultural biotechnology advisory committee and I was chairman of the United Soybean Board when biotech soybeans were first exported to France. I am pleased to be here today to present the views of the American Farm Bureau Federation (AFBF) on the important role that biotechnology plays in American agriculture. AFBF represents member families in all 50 states and Puerto Rico.

American agriculture continues to be the world leader in the adoption of agricultural biotechnology. In 2003, plantings of biotech crops in the United States accounted for 63 percent of the world's total plantings. U.S. plantings of the three major biotech crops continue to expand. For example in 2004:

- 86 percent of total soybean plantings will be modified to be herbicide-resistant, up from 81 percent in 2003,
- 76 percent of upland cotton plantings will be biotech cotton, up from 73 percent in 2003, and
- 46 percent of corn plantings will be biotech corn, up from 40 percent in 2003 (ASCII prospective planting report March 2004).

American farmers have seized the opportunity offered by biotechnology to improve their production efficiency. They have recognized that the adoption of new technology, like biotechnology, is an essential in maintaining a competitive advantage for U.S. agricultural exports on the world market. The advantages of biotechnology crops include the environmental benefits of lower pesticide requirements and decreased soil erosion, increased yields, disease-resistance and fuel savings. The future for this technology is bright - new biotech plant varieties are currently being developed that produce crops which are high in essential vitamins and minerals and drought, salt and cold-tolerant.

American production of crops utilizing biotechnology is expected to continue to rise. The approval of new varieties of biotech crops will play a part in this increase. New varieties of

biotech corn, cotton and soybeans are being developed that address a wider range of production limiting factors and in the future wheat, rice, sugar beets alfalfa, apples, bananas, lettuce and strawberries will move into the biotech era. Currently, approximately 25 agricultural biotech products are on the market and it is expected that an additional 24 varieties of biotech crops will be available within six years.

While the United States is the world leader in the production of agricultural crops enhanced through biotechnology, other countries are also expanding biotech crop production. In 2003, global biotech crop acreage experienced the seventh consecutive year of double-digit growth when the global area of biotech crops increased 15 percent, to a total of 167.2 million acres. In 2003 a total of 18 countries planted biotech crops, up from 16 in 2002.

The increase in production of biotech crops in the United States and abroad has increased the importance of developing and maintaining markets, both domestically and internationally for products derived from biotechnology.

Market development, both domestically and internationally, is dependent on public policy that:

1. Maintains an unbiased, science-based regulatory system that inspires consumer confidence and avoids unnecessary traceability and labeling requirements for biotech commodities;
2. Defends against current threats to market access for biotech crops and expands access where current restrictions exist; and
3. Creates an environment conducive to the development of new crop varieties enhanced through biotechnology.

I would like to elaborate on these points.

1. Maintaining an unbiased, science-based regulatory system that inspires consumer confidence and avoids unnecessary traceability and labeling requirements

Biotechnology in the United States is monitored by several federal agencies, including the Food and Drug Administration (FDA), the Department of Agriculture (USDA) and the Environmental Protection Agency (EPA). These government agencies play an important role in providing unbiased, science-based evaluations concerning human and animal safety of biotech commodities.

Requiring mandatory labeling and traceability of foods containing commodities enhanced through biotechnology in effect nullifies the regulatory system in place. If the unbiased, science-based regulatory system concludes that a product is safe for human consumption, it becomes unnecessary to label this product as “genetically engineered” or “genetically modified.”

If consumers, either domestically or internationally, demand products free from biotech ingredients, the market will function to develop brands that meet the choice of these consumers through a voluntary labeling system. Why should all consumers be forced to pay the cost of a mandatory traceability and labeling system when the biotech-enhanced product in question has been approved as safe for human consumption?

2. Defending current threats to market access for biotech-crops and expanding access where current restrictions exist

Science-based approval for biotech commodities is critical. The approval process in the European Union (EU) has caused disruptions in the trade of biotech-enhanced products. Resolving these issues quickly is necessary to prevent further disruptions.

The EU's current approach to biotechnology is inconsistent with scientific outcomes obtained from exhaustive risk assessments undertaken on products of agricultural biotechnology. In 1999, the EU instituted a moratorium on approvals of any new products enhanced through biotechnology. Prior to the moratorium, the EU approved eight agricultural biotech commodities. In 2004 the European Commission approved its first commodity enhanced through biotechnology since the moratorium was instituted. Reportedly, two further biotech commodities are currently awaiting approval. It is too early to judge whether the EU will begin to undertake approvals for products enhanced through biotechnology within a reasonable period of time.

The EU's introduction of new regulations governing the approval, marketing, labeling, traceability, and importation of food and feed produced using modern technology last September is a problem for American farmers. Farm Bureau opposes the imposition of any import restrictions, labeling or segregation requirements for products derived through biotech enhancement once they have been approved according to internationally accepted, scientific principles as safe for humans, animals and the environment. The Farm Bureau position is consistent with the World Trade Organization (WTO) that recognizes Codex Alimentarius as the organization responsible for establishing internationally recognized food safety and trade guidelines. The Codex Alimentarius Commission has adopted a policy that directs its working committees to recommend adoption of only those guidelines that are based on sound scientific principles. There is no scientific basis for treating approved food products enhanced through biotechnology differently than other foods.

Convincing arguments exist that the new EU regulations could be in breach of the WTO Technical Barriers to Trade Agreement and the Sanitary and Phytosanitary Agreement. Farm Bureau supports the U.S. government filing a complaint with the WTO on the issue of the new EU regulations. If the new regulations are left unopposed there is nothing to prevent other nations from adopting the EU template. The proliferation of the EU template could create trade zones where the costs of meeting the supply requirements for commodities derived from biotechnology are prohibitive.

It is imperative that we work together to secure foreign regulatory acceptance for products enhanced through biotechnology. Farm Bureau supports increased efforts to educate the public worldwide regarding the safety and benefits of products developed through biotechnology. Recently Farm Bureau leaders visited China and Japan as part of the AFBF International Biotechnology Promotion and Education Program initiative. The objective of the mission was to inform Chinese and Japanese farmers, policymakers and agricultural experts about the benefits of agricultural biotechnology and to promote confidence in the safety and benefits of such technology.

Some disruptions to international trade have occurred since the Biosafety Protocol came into force on September 11, 2003. There have been cases where non-government organizations (NGOs) have picketed ships claiming that the shipments did not have the documentation required under the protocol. The United States currently is not a party to the Biosafety Protocol. The appropriateness of the United States ratifying the Convention of Biodiversity, a precursor to becoming a party of the Biosafety Protocol, is again being discussed. Farm Bureau does not believe that U.S. ratification of the Convention on Biodiversity is in the interest of American agriculture.

AFBF supports addressing the documentation requirements of the Biosafety Protocol through arrangements such as the trilateral arrangement signed by the United States / Mexico / Canada on the "Documentation Requirements for Living Modified Organisms for Food or Feed, or for Processing (LMO/FFP's). AFBF believes that this is the best mechanism for ensuring that future shipments transition smoothly through the import process. We believe that the trilateral arrangement is the most suitable mechanism for ensuring certainty in the trading environment between parties and non-parties of the Biosafety Protocol, therefore, AFBF supports extending this agreement to other countries that are parties to the Biosafety Protocol.

3. Creating an environment conducive to the development of new biotechnologies.

If U.S. agriculture is to maintain its place on the technology frontier, it is imperative that an environment conducive to innovation and adoption of new technologies is fostered. Government and private-sector research and development centers should be reassured that the United States is working to ensure that there will be a market both domestically and internationally for approved products derived from biotechnology.

In conclusion, American agriculture has enthusiastically embraced the benefits that biotechnology provides to production efficiency and in turn the competitiveness of U.S. agricultural commodities on world markets. We look forward to continuing our work with Congress on this important issue. AFBF is committed to ensuring broader acceptance of these products internationally and continued domestic consumer confidence. We will work with Congress and the administration to address unnecessary trade barriers implemented by other counties for commodities enhanced through biotechnology. Thank you for this opportunity to testify on this important issue. I would be happy to answer any questions.

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