

NSW DPI

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AusBiotech

AUSTRALIA'S BIOTECHNOLOGY ORGANISATION

Date: August 12, 2007

INW07/9384

GM Crop Moratorium Review Secretariat,
NSW DPI, Locked Bag 21,
Orange, NSW 2800.

RE: Review of the New South Wales Moratorium on GM Canola

To the Review Committee:

Thank you for the invitation to comment on the New South Wales Moratorium on GM Canola. The moratorium was adopted in order to protect existing and future markets for farm produce until supply systems were developed to provide the necessary segregation and identify preservation of crops to market specifications. AusBiotech¹ (Australia's Biotechnology Industry Organisation) believes that the rationale for imposing the moratorium is no longer justified. During the moratorium period the Australian grains industry has prepared itself for the introduction of GM canola by developing effective supply chain management, allowing segregation to market specifications of GM and non-GM canola. The Australian grains industry has also prepared itself for the introduction of GM canola by securing import approvals in key importing countries.

In summary:

- The Australian grains industry is confident that it is able to implement the processes required to facilitate the introduction of GM crops to any specified standard.
- The Single Vision Grains Australia² initiative also demonstrates commitment from key participants of the supply chain to ensure the necessary segregation and identify preservation of crops to any specified standard.
- A number of independent studies have shown that commercialization of GM canola is not likely to affect Australia's trade or market access position. This is supported by the experience of Canada, our main export competitor for canola, who has commercialized GM canola for more than 10 years³.

The removal of the moratorium:

- is supported by leading farmer organizations;
- provides consumer and producer choice;

¹ AusBiotech is Australia's Biotechnology Industry Organisation, which covers biotechnology companies, ranging from start-ups to mature multinationals, research institutes and universities, specialist service professionals, corporate, institutional, individual and student members from Australia. AusBiotech represents agricultural, environmental and industrial sectors in biotechnology through industry committees. www.AusBiotech.org

² http://www.afa.com.au/pdf/Delivering_Market_Choice_with_GM_canola.pdf

³ e.g. Foster M. and French S. 2007. Market Acceptance of GM Canola. ABARE Canberra Australia. http://www.abareconomics.com/publications_html/crops/crops_07/gm_canola.pdf

- enhances Australian trade and competitive in global canola markets; and
- reaffirms New South Wales commitment to innovation.

Leading Farmer organizations support lifting the moratoria.

Significant and important Farmer organizations and constituencies support the lifting of the moratorium, including: National Farmers Federation and all States Farmers Federations (including New South Wales Farmers' Federation), Grains Council of Australia, Flour Millers' Council of Australia, and Grain Growers Association.

Consumer and producer choice

Market choice can be achieved by utilizing existing industry expertise in co-existence management strategies within the supply chain. Australian Industry supply chains are flexible and can enable GM grains and non-GM grains to coexist within supply chains through new or existing protocols, processes, and practices in the growing, transport, marketing, and processing of canola. Farmers should be allowed choice of production technology because effective supply chain management, allowing segregation of GM and non-GM canola, exists or can be developed to meet global consumer demand. The Single Visions Grains Australia initiative⁴ demonstrates commitment from key participants of the supply chain to ensure the necessary segregation and identify preservation of crops to any specified standard.

Enhances trade and competitiveness of Australian Canola

With the presence of effective supply chain management, allowing segregation of GM and non-GM canola, and import approvals in key importing countries, New South Wales canola growers should be given the choice to plant GM canola. Lifting the New South Wales Moratorium will provide New South Wales farmers with access to innovative technologies available to their Canadian competitors, who outsell Australian canola growers in world markets (eg. Japan where Canadian GM canola is co-mingled with Australian non-GM canola at the crushing facilities)⁵.

Commitment to innovation

Lifting of the moratorium will signal to investors and developers that New South Wales is willing to support innovation in agricultural science. Currently the moratorium provides no clear path to market for the development and application of innovative, plant based, agricultural biotechnologies. With no clear path to market one major international company has ceased canola operations in Australia, while a second has drastically curtailed activities. The Australian grains industry has relied on the adoption of innovation to secure its global competitiveness⁶.

Anecdotal evidence from AusBiotech's member organizations suggests that the moratorium is having a negative impact on agricultural scientific capacity with scientists reconsidering their research priorities and increasingly seeking opportunities overseas.

Conclusion

AusBiotech supports the lifting of the moratorium in order to provide New South Wales Farmers with access to GM canola. With the presence of effective supply chain management, the grains industry is confident that it is ready for the introduction of GM canola to give farmers choice of production systems (GM or non-GM canola). There is no

⁴ http://www.afa.com.au/pdf/Delivering_Market_Choice_with_GM_canola.pdf

⁵ Fast Facts 2 – Trade Implications GM Canola. 2004: page 3. Australian Oilseed Federation. http://www.australianoilseeds.com/_data/assets/pdf_file/944/Fast_Facts_2_-_Trade_Implications_GM_Canola.pdf

⁶ GM Crops: Preparing for a Path to Market. 2005. AusBiotech, Melbourne Australia.

evidence that there will be any adverse impacts on Australia's markets if GM canola is commercialized. On the contrary, without such innovative technologies the future competitiveness of Australian agriculture is under threat. Australian farmers must be given the choice of growing GM or non-GM and consequently the Regulations must be allowed to expire to facilitate this choice.



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