



**The European Commission's
GM “opt-out” proposal:**

Views of the food and feed partners

**Seventh International Conference on
Coexistence (GMCC-15)**

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Outline

- EU Food and Feed Chain (FFC) coalition
- How did we get here? Procedural and substantive aspects
- The way forward: Conclusions and recommendations

EU Food and Feed Chain coalition (FFC)

- The EU FFC coalition brings together the relevant EU stakeholders in the area of production, trade and use of agricultural products whose members are directly impacted by EU policies related to GMOs.



EU food and feed supply chain



EU Food and Feed Chain (FFC) coalition

- The EU FFC coalition works together to address the consequences of the disparities between the evolving worldwide use of biotechnology and the divergent national or regional regulatory approaches to GM products for the EU agro-food chain.
- The EU FFC aims at elaborating practical, non-discriminatory and science-based proposals to minimise existing and potential impacts on trade and cultivation and to assure legal certainty and the freedom to operate for all industries concerned.



How did we get here?

**Procedural and substantive aspects of
the GM “opt-out” proposal**

Procedural steps

- **22 April 2015:** Commission tables legislative proposal.
- **25 June 2015:** Rapporteur issues draft rejecting opinion.
- **18 September 2015:** Parliament's AGRI Committee calls on ENVI Committee to reject the proposal.
- **13 October 2015:** Parliament's ENVI Committee rejects the proposal; and the Committee of the Regions also recommends to reject the proposal.
- **28 October 2015:** Parliament's Plenary rejects the proposal and requests a new draft from the Commission.
- **December 2015:** Discussions at Council.

The GM “opt-out” proposal in a nutshell

- The proposal applies to imports of EU authorised GMOs for food and feed uses (not cultivation) in the EU.
- It envisages that EU Member States – MS (or regions thereof) be able to restrict or prohibit the “use” of EU authorised GMOs in their territories.
- “Opt-out” measures must be:
 - Based on “other legitimate factors” than those already considered by EFSA in its risk assessment; and
 - In compliance with the EU’s international trade obligations (WTO) and the internal market rules.

How did we get here?

- The current EU GMO authorisation process requires:
 1. Application by the biotech company to the national authority;
 2. EFSA's risk assessment and Scientific Opinion;
 3. Commission's draft decision;
 4. Vote by MS; and
 5. Authorisation (to the authorisation holder).
- **However, MS have thus far been unable to obtain a qualified majority in favour or against authorisation, thereby compelling the Commission to adopt the decision.**
- Commission's President Juncker gave a mandate to review GMO authorisation rules in light of democratic concerns.

President Juncker's democratic concerns

- “...it is simply not right that ... **the Commission is legally forced to authorise new organisms for import and processing even though a clear majority of Member States is against**” (Political Guidelines for the next European Commission).
- “The Commission should be in a position to give the majority view of democratically elected governments at least the same weight as scientific advice” (Id).
- “**I would not want the Commission to be able to take a decision when a majority of Member States has not encouraged it to do so**” (Opening Statement at the European Parliament).

FFC views on the GM “opt-out” proposal

- The FFC partners strongly oppose the proposal:
 - Threat to the free movement of goods in the EU internal market for food and feed products.
 - Substantial commercial and legal risks for operators.
 - Loss of competitiveness of the EU agri-food sector (13.4% of EU employment and 3.5% of the EU GDP).
 - Job losses and lower investment in the agri-food chain, leading to distortions of competition.
 - Contrary to the “better and smart regulation” agenda.
 - No stakeholder consultation nor impact assessment.

Economic Impact Assessment

- COCERAL, FEDIOL and FEFAC analysed and quantified the implications on feed prices and the competitive position of sectors in the supply chain if four MS potentially “opted-out” from imports of authorised GMOs, with a focus on the use of soybeans as feed material.
- The amounts of GM-free soy that are de facto available for use in the EU are much lower than those that are “statistically” available globally.
- Unfeasible to satisfy non-GM soybean needs with alternative protein sources (for nutritional and farming reasons).

Economic Impact Assessment

- Replacing the bulk of GM soy in feed by non-GM soy with a premium would lead to an increase of costs for the EU livestock industry of around 10%:
 - **EUR 1.2 bln** if four MS opted-out; or
 - **EUR 2.8 bln** if all the EU opted-out.
- Loss of competitiveness (and subsequent negative repercussions) for the livestock sector in EU “opting-out” countries:
 - Vis-à-vis non “opting-out” countries and third countries.
 - Both at the home and global markets.



The way forward:

Conclusions and recommendations

The way forward

Making the current decision-making work

- **The solution to the **GMO** authorisation problems is a timely and accurate implementation of the current **EU** legislative framework:**
 - Which maintains scientific considerations (EFSA's independent risk assessment) at the heart of the GMO authorisation system; and
 - Already takes into account the views of democratically elected MS' Governments.

The way forward

Preserving EU core values for decision making

- Addressing the present GMO stalemate requires that the following core values be respected:
 - Science-based decisions.
 - Preservation of the EU internal market.
 - Guarantee of legal certainty for operators.
 - Economic viability (in line with the Commission priorities on EU “jobs and growth”).
 - In compliance with the EU’s international trade obligations (WTO) and domestic principles (EU Treaties).



The way forward

Preserving the EU's global role on the market

- The EU is a net importer of agricultural commodities and EU operators along the food and feed supply chain must be able to compete internationally.
- **Urgent need for a clear and consistent harmonised system ensuring availability of agricultural commodities at affordable costs in the EU market and legal certainty for EU business operators.**



Thank you