



**Friends of
the Earth
Europe**

Briefing

TRYING TO FORCE FEED THE WORLD

The transatlantic trade dispute over genetically modified foods.

The World Trade Organisation will soon publish its Interim Report on the transatlantic trade dispute over genetically modified (GM) food. The case rests on the right of countries, in this case Europe, to protect their farmland, environment and consumers from the risks posed by genetically modified foods.

Background

In May 2003 the United States, supported by Canada, Argentina and initially Egypt, made a formal complaint to the World Trade Organisation (WTO) about Europe's stance on genetically modified organisms (GMOs). The WTO is about to publish an Interim Report on the dispute. This will be a draft of the final ruling expected later in the year.

What was the complaint?

The US-led coalition alleged that Europe has:

- Refused to give the approval to a number of new GM foods,
- Stopped processing applications for new GMOs,
- Not taken action to stop EU member states banning GM products.

The US argues that Europe's position on GMOs violates WTO rules and is a barrier to trade. In particular, it claims that US farmers have lost exports because they grow GM crops not approved in Europe. President Bush later added that the EU's moratorium was impeding efforts to feed the world. He stated that "*European governments should join - not hinder -- the great cause of ending hunger in Africa.*"

What has happened in the meantime

- Egypt pulls out

Soon after launching the dispute Egypt angered the US by pulling out altogether, citing "*the need to preserve adequate and effective consumer and environmental protection.*" As the only African country in the coalition this was a crucial blow to their "feed the world" argument.

- Secret panel meetings

After failing to resolve differences the WTO set up a panel of trade experts to examine the case. They have met in secrecy and have taken evidence behind closed doors from the countries involved and also third party countries who wanted to take part.

- Scientists called in

The US argued heavily for science to be kept out of the dispute, stating that it was a trade complaint and the safety of GM foods was not at stake. However the WTO panel disagreed and set up a group of scientists to examine the facts and report on whether there were scientific grounds for Europe taking such a position. The scientists' report has not been made public.

- Europe's defence

The European Commission has argued in the WTO that the science on GMOs is constantly evolving and that "*new risk considerations sometimes arise spontaneously and change the scope of the risk assessment*". They also argue that there are "*legitimate scientific concerns*" about the use of antibiotic resistant genes and secondary effects of GM crops on beneficial insects.

Europe also argues that GMOs cannot be treated as "*like*" or "*equivalent to*" their non-GMO counterparts, because they raise the potential for new types of harm. Europe has taken a precautionary approach to protecting human health, the environment and to conserve biodiversity in a reasonable and legitimate manner.

- Europe's double standards

Under pressure from the WTO and biotech industry, the European Commission has taken a much more proactive position on GMOs, using its legal powers to end the six-year long moratorium and promoting GM foods despite the massive objection from its citizens and lack of sufficient support from EU member states.

In addition it took major steps to try and get member states to lift their national bans on GM products. The move back-fired when the Council of Environment Ministers voted down a Commission proposal to stop the bans in June 2005.

Meanwhile, resistance in Europe to the introduction of GM foods has continued. The number of bans from national governments has increased since the beginning of the dispute, and over 170 EU regions have declared themselves GM Free zones.

- Bite Back – WTO: Hands off our food!

Because of the WTO's secret ways of working, the general public has been locked out of this dispute from the beginning. A number of Non-Governmental Organisations (NGOs) have however been active in making their views heard. Some groups have sent in their own legal submissions to the WTO. Over 740 organisations with a combined membership of 60 million people have supported a campaign called Bite Back – Hands off our food! (www.bite-back.org). The campaign demands that the WTO does not force GM foods onto people against their wishes, and asserts that the WTO is an illegitimate forum to deal with GMOs

What are the global ramifications?

The biggest impact of the trade dispute goes well beyond Europe's shores. The case serves as a warning to other countries, particularly developing countries, not to restrict access to their markets by banning or restricting GMOs. In a similar case over beef hormones, once the US started a WTO trade complaint no other country in the world banned them. Although the US is hoping that this will also be the case with GMOs, it is unlikely to be so easy. Public protest against GM foods is worldwide and another international law, the United Nation's Cartagena Protocol on Biosafety, allows nations to take a precautionary approach and consider the socio-economic effects of trade in GMOs.

The resolve of the European Union and the European Commission will be put to the test as they decide how to respond and whether to act in the interests of Europe's citizens, developing countries, the environment, democracy or the biotech industry.

What will happen if the ruling goes against the European Union?

The European Union can:

- **appeal** within 60 days of receiving the final report of the panel. The interim report is the draft final ruling and could be modified although this is unlikely to be substantial. The appeal has to be based on points of law only.
- decide that **it will not alter its approach to GMOs** and pay for lost trade.
- **bow down to the USA** and push ahead with approvals for importing GM crops for food, feed and seed.

It is likely that public opposition to GM foods and the WTO will increase if the WTO is seen to be forcing GM foods onto Europe.

What are the implications for the WTO?

The WTO is struggling with its public credibility. If the decision in any way compromises the ability of countries to make decisions based on the precautionary principle and determine what level of protection to give their own environments and citizens, its standing will be further eroded. Its version of 'free trade' will be seen as 'unfair trade' stacked in favour of the big business interests of the USA.

What next?

Once released, the Interim Report will be sent to the countries in the dispute for their comments, which must be made within 3 weeks. There is then the opportunity for countries to comment on the other parties' comments before a final ruling is issued. This will then be translated into the official WTO languages and issued to all members of the WTO. This may take until the end of 2006.

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