

## **All-Party Parliamentary Group on Science & Technology in Agriculture**

**Notes of a meeting held on Thursday 29 October 2015,  
MacMillan Room, Portcullis House**

### **Going against the Grain Report - Breakfast Briefing**

***Protecting access to global supply chains for UK farming – launch of a new cross-industry report***

#### **Present:**

##### **Members**

Mark Spencer MP (Chair)  
Earl of Selborne  
Derek Thomas MP  
Baroness O’Cathain  
Professor the Lord Trees  
Angela Smith MP  
Lord Taverne  
Calum Kerr MP  
Lord Curry of Kirkharle

##### **Guest Speakers**

George Eustice MP, Minister of State for Food and Farming, Defra  
Dr Julian Little, Chair, Agricultural Biotechnology Council  
Dr Andrea Graham, Head of Policy Services, NFU  
Paul Rooke, Policy Director, Agricultural Industries Confederation

##### **Stakeholders**

Barbara Gallani, FDF; Rosana Verza, Embassy of Brazil; Chris Atkinson, NRI University of Greenwich; Richard Whitlock, AHDB; Matina Tsalavouta, Rothamsted Research; Sue Lockhart, Sainsbury’s; Damian Testa, CLA; Megan Smith, Defra; Sarah Cundy, Defra; Jennifer Wilson, USDA; Abi Kay, NFU; James Pyefinch, GAFTA; George Perrot, AIC; Jenna Lewis, Syngenta; Mark Buckingham, Monsanto; Giulia Cuccato, Defra; Ricardo Atioli Silva, Brazilian Soybean Assn; Ian Gregory, ABZED; Andrew Marshall, abc; Matthew Corby, abc; Matthew Hill, abc; Daniel Pearsall, Group Co-ordinator

#### **1. Welcome & Introduction**

Mark Spencer (MS) welcomed Members, guest speakers and stakeholders to the meeting, noting that the All-Party Group’s purpose was not only to recognise and promote the role of science in 21<sup>st</sup> century agriculture, but also to identify any barriers to its development and application. The theme for this meeting certainly fell into the second category, focusing on the importance of GM feed imports to the UK livestock sector and providing a platform to launch a new joint report from the Agricultural Biotechnology Council, National Farmers Union, Agricultural Industries Confederation and Grain and Feed Trade Association highlighting the critical need protect that established trade against political disruption from the EU.

## 2. Guest speakers

[Please note that a copy of the 'Going against the Grain' report is available to download via the meetings section of the All-Party Group web-site at [www.appg-agscience.org.uk](http://www.appg-agscience.org.uk) ]

### **Dr Julian Little, Chair, Agricultural Biotechnology Council**

Julian Little (JL) introduced the *Going against the Grain* report, which complemented previous research highlighting the potential economic benefits of GM crops to the UK, but focused specifically on the importance of having a reliable supply of GM feed imports into the UK and EU.

JL noted that following the introduction of national opt-outs from cultivation of GM crops, the European Commission had tabled proposals to apply the same principle to GM imports, potentially allowing individual Member States to restrict or prohibit trade in EU-approved GM products in their territory. These proposals had been the subject of intense debate in recent weeks, culminating in a vote in the European Parliament the previous day when MEPs had emphatically rejected the Commission's plans.

JL noted that the strength of objection from the European Parliament reflected the concerns highlighted in the *Going against the Grain* report that the Commission's proposals would not only disrupt access to GM feed imports and damage prospects for EU livestock farmers, but would also undermine the fundamental integrity of the Single Market.

JL emphasised that the trade in GM feed ingredients into the EU was working on a significant scale – noting that a kilo of GM soybeans was imported for each kilo of the EU's 500 million inhabitants, totalling almost 34 million tonnes per year.

But the report also highlighted that while global uptake and cultivation of GM crops continued to increase around the world, the EU's dysfunctional GM approvals system was causing a backlog of applications for new import approvals – taking over 6 years for each new authorisation on average and in some cases a lot longer.

JL added that although MEPs had rejected the Commission's plan to nationalise decision-making on GM imports, the Commission had immediately stated that the proposal would not be withdrawn, highlighting the need to keep reinforcing the potential economic damage of disrupting the established trade in GM feed imports. For example, the *Going against the Grain* report estimated that an EU-wide ban on soybean imports would impact the EU economy by €26.1bn.

While the UK was a stalwart supporter of plant science and biotechnology, JL noted that anti-innovation policies from the EU such as this also had the potential to stifle innovation inward investment in research and development.

The report therefore argued that the current EU-wide approvals system – flawed though it might be - should be improved upon and made to work effectively, rather than starting again from scratch.

JL highlighted the economic significance of the issue for UK livestock producers. Based on the current price differential of £70/tonne between GM and non-GM soy, a sudden need to switch to non-GM sources – if available in sufficient quantities – would cost British farmers an additional £300 million a year. JL argued that this would simply be financially unsustainable given the current plight of the UK dairy and livestock sector.

JL concluded by summarising the recommendations set out in the report. While the UK should be recognised and applauded for its positive, science-based approach to GM policy discussions at an EU level, that pressure needed to be maintained in rejecting the Commission's proposals or any alternative proposals in the Council of Ministers.

He urged the UK to be robust in defending the existing authorisation process, and to develop alliances with like-minded Member States to make the current system work properly rather than starting again from scratch.

Above all, JL highlighted the need to defend the innovation principle in safeguarding access to high quality, affordable feed supplies for UK livestock farmers and in ensuring the cutting edge plant science taking place in Britain's universities and research institutes would have a route to market.

### **George Eustice MP, Minister of State for Food and Farming, Defra**

George Eustice (GE) opened by acknowledging the All-Party Group's critical role as a Parliamentary forum to highlight the contribution of agricultural science and technology, not least in the context of the Government's 25 year food and farming plan, in which agri-tech – including GM technology - would play a key role.

GE addressed three key areas of GM policy – new EU rules on cultivation; novel breeding techniques; and GM animal feed.

He described the settlement on GM crop cultivation – giving individual Member States the ability to opt-out of growing EU-approved GM crops – as the best way to break the political impasse on authorisations. He said it would mean that GM crops would continue to be authorised according to the scientific evidence and rigorous safety assessment by EFSA, allowing those countries wishing to cultivate GM crops to do so. However, he noted that to date 19 of the EU's 28 Member States had indicated that they did not intend to allow the cultivation of GM crops – including Scotland, Wales and Northern Ireland within the UK.

GE reported that discussions were also taking place at EU level to clarify the regulatory status of other novel breeding techniques (NBTs) such as gene editing and cisgenesis. He explained that there was currently a 'grey area' over whether these techniques should be treated as GM or non-GM. His own view was that regulating these NBTs as GMOs would immediately stifle a promising area of research activity – in most cases these techniques were simply an accelerated and more precise form of conventional breeding.

He expressed encouragement that during discussions at the previous week's Council meeting in Luxembourg, even among the most anti-GM countries – including Germany – recognised that these techniques were different from GM and that they would be essential to the future competitiveness of their farming sectors. According to GE, this willingness to regard these new breeding techniques as distinct from GM would be crucially important as the Commission prepared to issue its draft legal assessment of the regulatory status of NBTs.

On GM animal feed, GE suggested that the Commission's proposals to give individual Member States an opt-out on GM imports and trade should be viewed very differently from the cultivation directive. He noted that the UK imports around 3 million tonnes of GM feed each year and that 70% of the animal feed used in the UK contains GM ingredients. He agreed that disrupting that trade would have a very significant impact on the UK livestock sector.

But the Minister expressed some sympathy with the European Commission, which shared the UK government's positive view of GM technology. He explained that the current proposals stemmed from a sense of frustration at the political hypocrisy of Member States venting their opposition to GM crops yet at the same time routinely importing and using GM ingredients in their animal feed. The Commission's proposal to allow an opt out on GM imports was effectively throwing down the gauntlet to Member States by giving them nowhere to hide, since even the most anti-GM countries such as Hungary could not sustain their livestock sectors without GM feed imports.

On balance, however, the UK government considered that the proposal was the wrong approach and should be withdrawn, particularly in view of the profound impact on the integrity of the Single Market. This view also appeared to be shared by a majority of EU Member States, and following this week's decisive vote by MEPs, GE's own view was that the proposal would not progress any further.

### **Dr Andrea Graham, Head of Policy Services, NFU**

Andrea Graham (AG) considered that this week's vote in the European Parliament was unlikely to be the end of the matter, and that the *Going against the Grain* report was therefore extremely timely.

AG described British agriculture as the bedrock of the UK food industry, producing around 62% of our food and central to the rural economy and management of the countryside.

But UK farm productivity had flat-lined compared with other parts of the world, and the NFU was keen to see how Defra's 25 year food and farming plan would address that. UK farmers needed access to all available tools to compete effectively in a global market, and AG described the Commission's proposals to nationalise decision-making on GM feed imports as anti-trade, anti-technology and anti-Single Market.

AG noted that UK livestock farmers were dependent on imported soya from North and South America, where the GM adoption rate was around 90%. She explained that soya was unrivalled as a digestible protein source, indeed recent ADAS research had documented the nutritional advantages of soya, concluding that there no genuine alternatives on the market in terms of efficiency and nutrient balance for livestock.

The cost of feed was a critical factor for all livestock farmers, particularly pig and poultry producers whose feed inputs accounted for around 55-65% of total production costs.

Feed price volatility was therefore a major issue, with the price differential between GM and non-GM soya recently reaching as high as £132/tonne. Market volatility and political uncertainty around this issue was exposing farmers to high levels of risk, and the likelihood was that any additional costs of testing and segregation would fall on primary producers.

Ironically any downturn in domestic livestock production resulting from a proposed ban on GM feed imports would be replaced by imported meat and livestock products, most likely reared on the same GM rations, she noted.

AG concluded by highlighting the current fragility of certain parts of the UK livestock sector, adding that British farmers faced the challenge of feeding a growing UK population set to reach 77 million by 2050 (to become the most densely populated nation in Europe), and doing so efficiently, competitively and sustainably. This required legislation and controls around key agricultural technologies such as GM to be based on sound science not on the vagaries of national politics – otherwise Britain's farmers were being forced to compete with one hand tied behind their backs.

### **Paul Rooke, Policy Director, Agricultural Industries Confederation**

Paul Rooke (PR) explained that the use of imported GM material had become a fact of life for the UK feed manufacturing sector over the past 20 years, with 80% of compound feed containing some form of ingredient requiring labelling as GM. This included macro-ingredients such as GM soya and maize but also GM-derived feed additives such as essential amino acids and vitamins.

Securing a workable and predictable GM approvals system was therefore of critical importance to the feed manufacturing sector, although the EU seemed unable or unwilling to deliver this in practice.

For 2014/15, the UK imported just over 4.8 million tonnes of vegetable protein, of which 3.3 million tonnes was GM in origin, including 96% of all soya imports. PR emphasised that for the broiler sector in particular, there was no real alternative to soya as a high quality and consistent source of protein.

PR also emphasised that over the past 20 years the market had differentiated the non-GM component of vegetable protein imports based on need and demand.

A recent report by three EU trade organisations – Cocal, Fediol and Fefac – had investigated the global availability of commercially usable non-GM soya, which was currently estimated at around 9 million tonnes per year compared with total annual EU soybean imports of around 35 million tonnes.

A further concern was that some of the 9 million tonnes of non-GM soya came from parts of the world where segregation and testing processes may not be 100% reliable - bearing in mind that from an importer's perspective, each vessel arriving into the EU could represent up to £50 million of risk for that company. According to PR, this left two options for traders: either exit the EU market or pass the additional risks and costs on to customers, impacting the cost base and competitiveness of the EU feed and livestock sector. According to PR, the Commission's opt-out proposals on GM imports would simply push that cost-base even higher. He therefore welcomed the outcome of the vote in the European Parliament, noting that the fate of the proposals now lay with national governments in the Council of Ministers.

In conclusion, PR highlighted the need for a science-based GM authorisation system. Like the Minister, he acknowledged the difficult position the Commission was in, but considered that the current proposal took the wrong approach in seeking to resolve the political impasse on GM.

### **3. Questions and discussion**

The following key points arose during discussion:

Baroness O'Cathain expressed concern that there had been little reference to consumers in the presentations, suggesting that while just 2% of the UK population was involved in agriculture, the remaining 98% were scared rigid about GM and any technological innovation in farming. She highlighted the need for a campaign to reassure the public and win consumer acceptance for GM and other modern farming technologies.

JL noted that 2016 would mark the 20<sup>th</sup> year of global GM cultivation and offered a good opportunity to remind UK and EU consumers that the technology was not new or scary, but was in fact mainstream and accepted around the world. But he also added that regular FSA

tracker surveys indicated that GM food was in reality remarkably low down on people's everyday concerns.

AG agreed, suggesting that ambivalence towards GM technology was growing, supported by more open and transparent debate and public engagement by scientists, as had happened in relation to the GM wheat trial at Rothamsted Research.

PR added that previous attempts to establish a national dialogue on GM technology had failed to engage the general public, instead attracting vested interest groups and reinforcing the polarised nature of the debate.

Derek Thomas MP asked whether the Commission's proposals would benefit British livestock farmers growing their own feed.

PR responded that livestock farmers using home-grown cereals or forage would still need to buy in straight feeds such as soyameal or maize gluten to balance out the ration.

Lord Trees suggested that consumer acceptance of GM in agriculture and food could be strengthened by highlighting the widespread use and benefits of GM technology in other applications, such as the health sector, where GM was routinely used to develop human vaccines and to produce a wide range of veterinary products.

JL reiterated his view that concerns over GM did not appear to be a major issue for UK consumers, as evidenced by the lack of public outcry when supermarkets announced that they were switching from non-GM to GM feed sources for poultry products. JL suggested that British shoppers were comfortable about purchasing and consuming meat and livestock products reared on GM feed.

Angela Smith MP noted that in 10 years as an MP she had never received any correspondence from constituents expressing concern over GM issues. She considered that GM was a very rarified debate which existed in a political bubble inhabited only by politicians, NGOs, industry lobbyists and the media.

Lord Selborne agreed with Lord Trees that any attempt at public engagement on GM needed to extend well beyond agriculture, noting that the House of Lords Science and Technology Committee was currently conducting an inquiry into the potential benefits and disbenefits of GM insects. In his view the public was quite capable and willing to engage in debate around these issues, but he added that public engagement could not be restricted to evidence-based discussion but also needed to entail wider value-based considerations.

Concluding the meeting, Mark Spencer MP thanked speakers and attendees for their contribution to a stimulating and informative session.