



New Means to Check GM Contamination in Seed Imports

Media Statement – 21 July 2004

New practices for supplying maize seed to New Zealand demonstrate how the policy of zero tolerance to GM contaminated seed can be maintained at little or no cost to the economy. This is a key conclusion from a report released today by the Sustainability Council – *Seeding Purity - Improving Practices to Avoid GM Contamination of Seed Imports*.

The market is delivering new solutions that reduce the risk of GM contamination to extremely low levels. No relaxation of the zero tolerance standard is required as there is no significant tradeoff to be made given the availability of commercially viable, extremely low risk pathways to import seed

Government is currently reviewing whether to abandon the zero tolerance policy in favour of setting tolerance limits for GM contamination. This would allow seeds that were below a certain level of contamination to pass MAF border inspections.

While the review is looking at a tolerance level for all types of seed, 95% of the area under crops identified by MAF as higher risk involve just two types of seed – maize and sweetcorn, with maize the much bigger of the two.

From this spring, importers will have the choice of buying maize seed from a company that checks GM contamination by planting US seeds in glasshouses and then leaf-tests each plant to select ones to breed seed from. In this way, Pacific Seeds' "Gateway" programme reduces the risk of contamination to extremely low levels while supplying a price competitive product. The same system can also be used for other types of seed.

The review was triggered by the discovery of contaminated maize seed earlier this year and the cleanup will result in Government having to pay compensation. Government is only paying out this time because it changed the law last year such that certain compensation now becomes compulsory. Previously, no compensation was payable. Yet those importing seeds have a great deal of control over the degree of risk they adopt when they decide how to source seeds. In order to incentivise them to make good judgments about the value of using higher risk sources that can offer better seed characteristics, importers should shoulder any contamination costs in the first instance. However Government should specify safe harbour practices it would still pay compensation on.

Removal of the zero tolerance standard would involve knowingly accepting routine and randomly distributed contamination. This would negatively impact on the nation's image as a supplier of pure and high quality foodstuffs. Premium markets have remained highly resistant to any level of GM content.

Tolerance standards are no use if you are trying to sell to intolerant markets. Were the zero tolerance standard to be abandoned, the main beneficiaries would be seed importers that did not innovate and invest to provide enhanced customer protection. Government needs to protect exporters delivering to very demanding markets, not importers who fail to innovate.

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Note

Tolerance standards operating in other countries provide no useful guide to the standards New Zealand exporters have to meet. One of New Zealand's biggest markets, Japan, has a tolerance level of 5% contamination and yet product is rejected by buyers when there is 100 times less GM material present. A Kiwi exporter last year lost \$500,000 as a result of a Japanese fast food manufacturer rejecting product with 0.05% contamination. Markets, not governments, define the standards exporters have to meet.