



National Grain and Feed
Association



North American Export
Grain Association

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Joint Statement

Issued by National Grain and Feed Association (NGFA) and North American Export Grain Association (NAEGA) Regarding Letter to Syngenta Requesting Suspension of Commercialization Activities of Syngenta's Agrisure Viptera® and Duracade® Corn

January 23, 2014

The National Grain and Feed Association (NGFA) and North American Export Grain Association (NAEGA) today issued the following statement in response to rejections of U.S. corn and distillers dried grains with solubles (DDGs) by Chinese authorities because of the presence of Syngenta's Agrisure Viptera® biotechnology-enhanced corn, and Syngenta's intent to commercialize its Agrisure Duracade® biotechnology-enhanced corn, which also has not been approved yet by China and other U.S. export markets.

“On Jan. 22, 2014, the National Grain and Feed Association (NGFA) and North American Export Grain Association (NAEGA) sent a letter to Syngenta asking the company to immediately halt commercialization in the United States of its Agrisure Viptera® corn and Agrisure Duracade® corn until such time as China and certain other U.S. export markets have granted required regulatory approvals/authorizations.

“The NGFA and NAEGA both strongly support agricultural biotechnology and other scientific and technological innovations that contribute to production efficiency and availability of a safe, abundant and high-quality food and feed supply for U.S. and world consumers.

“However, NAEGA and NGFA are gravely concerned about the serious economic harm to exporters, grain handlers and, ultimately, agricultural producers – as well as the United States' reputation to meet its customers' needs – that has resulted from Syngenta's current approach to stewardship of Viptera. Further, the same concerns now transcend to Syngenta's intended product launch plans for Duracade, which risk repeating and extending the damage. Immediate action is required by Syngenta to halt such damage.

“There are numerous negative consequences incurred when the Chinese and other U.S. export markets are put at risk through commercialization of biotechnology-enhanced seeds before approvals for import into foreign markets are obtained. Such consequences may include reducing the value and demand for the U.S. farmers’ products, preventing foreign consumer access to much-needed supplies, shutting off or increasing the cost of U.S. producers’ access to some export markets for their crops, exposing exporting companies to financial losses because of cargo rejections and contract cancellations, and ultimately diminishing the United States’ reputation as a reliable, often-preferred supplier of grains, oilseeds and grain products in world markets. Commercialization prior to foreign regulatory approvals also has a negative impact on the overall U.S. corn and other grain value chains, and reduces significantly U.S. agriculture’s contribution to global food security and economic growth.

“Within the U.S. grain and oilseed handling and marketing system, each purchaser or handler makes its own determination as to whether to accept various commodity crops – including those produced from biotechnology-enhanced seeds. Such a decision likely is driven by customer preferences, infrastructure and operational limitations, regulatory regimes and contractual commitments, as well as meeting regulatory requirements in the respective markets they serve. Given the nature of the U.S. grain marketing system, these business decisions extend to the first point of sale or transfer from the producer.

“As a matter of policy, NGFA and NAEGA have communicated consistently, clearly and in good faith with biotechnology providers and seed companies about the importance of biotechnology providers actually obtaining regulatory approvals/authorizations for import in foreign markets before such traits are commercialized in the United States. Individual grain handler, processor, service provider and exporter member companies of our Associations represent further system-wide support and advocacy for this policy.

“U.S. farmers, as well as the commercial grain handling and export industry, depend heavily upon the exercise of due corporate responsibility by biotechnology providers with respect to the timing of product launch and commercialization. We therefore seek assurances from Syngenta that it will follow suit by publicly announcing that it will suspend immediately its commercialization of Viptera and Duracade products in the United States until such time as China and other U.S. export markets have granted required regulatory approvals and authorizations.

“Given these on-going concerns, NGFA and NAEGA urge U.S. farmers to evaluate these issues as they prepare for the 2014 planting season. Farmers should check with their local grain elevators and merchants to determine whether the grain buyer or handler has any limitations on accepting biotechnology traits that do not have certain export market approvals.”

The NGFA consists of more than 1,050 grain, feed, processing and grain-related companies that operate approximately 7,000 facilities that store, handle, merchandise, mill, process and export about 70 percent of all U.S. grains and oilseeds. Its membership includes grain elevators; feed and feed ingredient manufacturers; biofuels companies; grain and oilseed processors and millers; exporters; livestock and poultry integrators; and associated firms that provide goods and services to the nation's grain, feed and processing industry. Also affiliated with the NGFA are 26 state and regional grain and feed associations. NGFA works to foster an efficient free-market environment that produces an abundant, safe and high-quality supply of grain, feed and feed ingredients for domestic and world consumers.

NAEGA, established in 1912, is comprised of private and publicly owned companies and farmer-owned cooperatives involved in and providing services to the bulk grain and oilseed exporting industry. NAEGA member companies ship the vast majority bulk grains and oilseeds exported each year from the United States. Dedicated to engaging the entire value chain, NAEGA focuses on predictable, reliable and expanded international trade of grains, oilseeds and their primary products. NAEGA members, stakeholders and governments around the world are key beneficiaries of NAEGA work to provide leadership, experience and capacity providing for global reach and influence supportive of international trade and investment.