Date: 27 June 2005

Place: Committee of the Regions

Speaking note:

Ladies and gentlemen,

I would like to thank you for organising this Round Table on the European regions and the co-existence of genetically modified crops with conventional and organic agriculture.

I understand and appreciate the great interest of many European regions in this issue. In the European Union, agriculture takes place under extremely diverse conditions. This diversity requires a strong position of the European regions. Many aspects concerning agriculture and rural development can best be addressed at a regional level, while others have to remain more harmonised between regions and between Member States.

For European farmers it has become increasingly difficult to compete with agricultural commodity production at the world market. I strongly believe that we need to focus more on quality aspects than on mass production in order to keep up a European profile. European customers do value food that is produced locally and often in a traditional manner. Quality products, for instance of guaranteed origin, or organic products find an increasing market in many Member States.

Date: 27 June 2005

Place: Committee of the Regions

The European regions form a rich mosaic. Each one has its particularities, traditions and specific production conditions. I believe that this is one of the strengths of European agriculture and I can only encourage the regions to further develop their local and regional expertise for the production of high-quality food products.

However, I am also aware that there is strong concern in some regions that the traditional production of high quality agricultural products may become affected by the widespread cultivation of GM crops.

I am also aware of the charter on co-existence, which has been signed by a considerable number of regions and local authorities, and which demonstrates their position on how to deal with co-existence.

Let me try to respond to some of these concerns. Firstly, let me say that when we talk about co-existence we should be clear that we are not dealing with a safety concern. GM crops that pose a risk to human health or the environment will not be authorised for cultivation in the EU. The ones that are already authorised and the ones that will be authorised in the future can be used safely. We have one of the strictest regulatory systems for the authorisation of GMOs in the world, and this framework

Date: 27 June 2005

Place: Committee of the Regions

effectively ensures that authorised GMOs do not pose a risk associated with their proper use. If there is any doubt, we should take the trouble to ask EFSA to carry out an in-depth examination.

We also have strict legislation on labelling and traceability, which ensures that European consumers have a choice with respect to the food they prefer.

In the same way, we have to make sure that European farmers have a real choice to produce the type of products consumers demand and to be able to react in a flexible way to the needs of the market. Farmers should be able to produce in a traditional way, be it conventional or organic, according to the high quality and safety standards in the EU. But they should also have the choice to produce GM crops, if they see advantages in doing so and find a market for them. This decision should not be made for them by any authority.

The regional diversity in agricultural conditions may become important for farmers when they decide on whether or not to grow GM crops. I could well see a pest-resistant GM variety of a crop become attractive for farmers in regions that are seriously affected by the respective pest, while farmers in other regions continue with the traditional varieties.

Date: 27 June 2005

Place: Committee of the Regions

I do believe, though, that clear rules are needed to ensure that GM and traditional crops can co-exist. Most Member States are already developing regulatory frameworks, which include specific provisions for liability and in some cases detailed good farming practices.

By the end of this year, we will make a report on the state of implementation of national measures for co-existence. In this report, we will review the situation and assess the experiences that have been made in the different Member States. This should give a good basis for discussing which steps could or should be taken next.

I am currently also in contact with the Austrian agriculture Minister concerning a conference on co-existence that will take place in spring 2006 under the Austrian Presidency. The idea of this conference would be to bring together a wide range of interested parties and stakeholders to discuss the experiences that have been made with co-existence. The report we are preparing will be a major input into the conference.

Let me now turn to the question at which level co-existence should be addressed. I would like to repeat that there are great differences in the agricultural production conditions in the EU. This speaks in favour of leaving the Member States the

Date: 27 June 2005

o Place: Committee of the Regions

possibility to develop national co-existence strategies under their own authority. However, this should not lead to distortions in competition for farmers in different Member States.

It already appears clear to me that it would be difficult to fix one standard set of technical segregation measures that would work effectively throughout the various European regions. Here, I think lies the particular importance of the regions to tailor the measures towards the specific needs of their local producers.

Let me also say a few words to the question of liability, which is a central issue in this debate. What we are talking here is liability for economic damage that may result from the admixture of GMOs in other products. We should be clear that economic liability is part of civil law, which is in the competence of the Member States. This is very important.

Some have expressed fears that if the Member States choose to allocate liability very differently, the result may be a serious distortion in the competitive position of GMO farms and non-GMO farms across the European Union.

I would like to reassure you that so far, no Member State has proposed to place the burden for co-existence measures on those farmers that want to continue with the traditional production

o Date: 27 June 2005

Place: Committee of the Regions

methods. Thus, the fear that traditional agriculture may not be protected as regards liability seems to be unfounded.

However, having said that, the risk of potential market distortion is an aspect we need to pay attention to, and which we need to monitor carefully in the future.

In any case, it would be quite a step to consider a harmonisation of liability rules at Community level with respect to one specific type of products – GMOs – while economic liability for all other products is generally dealt with at national level.

Another important question concerns the possibility of introducing regional measures. Some regions have asked the Commission to accept their intention to set up GMO-free zones. Let me say that the Commission has always been clear that under certain conditions, a regional segregation of GM and traditional cultivation may be envisaged. This may become necessary when there is clear scientific evidence that co-existence could otherwise not be established with measures that are applicable at the level of individual farms or through the cooperation of neighbouring farms. Only if it can be demonstrated that these measures can not ensure co-existence, should regional measures be considered. Such measures should apply only to specific crops whose cultivation would be

Date: 27 June 2005

Place: Committee of the Regions

incompatible with ensuring co-existence in the region, and their geographical scale should be as limited as possible. It is clear that they will need to be justified on a case-by-case basis.

A general prohibition of <u>all</u> types of GMOs in a region could therefore not be justified.

It should be repeated here that farmers may always enter into voluntary agreements on zones where no GMOs are grown.

I would also like to affirm that there are clear alternatives to simply requesting the prohibition of GMOs. I am pleased to note that several Member States have already developed national rules that aim at safeguarding a form of real co-existence in a sustainable manner. Important objectives have to be met for this: Traditional farming needs to be protected to ensure its long-term viability and clear rules for GM crop cultivation need to be established. It is important for Member States to establish clear co-existence rules before growing GMOs. Several proposals for different national models for co-existence legislation that the Commission has received appear very suitable to achieve these goals.

Finally, I would like to say that I strongly believe that dialog and information-sharing are important in order to find solutions

Date: 27 June 2005

Place: Committee of the Regions

for co-existence. I have therefore always supported the idea of setting up a coordination network on co-existence in order to facilitate the exchange of information on the experiences made by the Member States, and on the specific measures that are being developed. I am pleased to inform you that last week the Commission formally established such a network. It will consist of representatives of the Member States and the meetings will be organised by my services. We have reserved ourselves the possibility to invite technical experts on a case-by-case basis. These can also include experts from the regions. The first meeting of this group will take place after the summer break.

Ladies and gentlemen, I am convinced that co-existence can be achieved by using appropriate measures that are well adapted to the different local conditions in the different regions. There is a need for feasible and pragmatic solutions. I would therefore ask the Committee of the Regions to contribute to the reflections and to encourage the regional authorities to work closely together with the national governments in the process of developing suitable approach to co-existence that I consider being very important.

Thank you.

o Date: 27 June 2005

o Place: Committee of the Regions

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