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Report Highlights:

Portugal is the second largest producer of GM crops in the EU. The area under GE corn rose by nearly 60 percent to 7,724 ha 2011, based on the mandatory notifications submitted by farmers.

The Legislative Assembly of the Azores voted on a proposal in May 2012 from the Regional Government to regulate the cultivation of biotechnology crops in the Region. When signed into law the document will effectively prohibit the commercial cultivation of GE crops on the archipelago.

Section I. Executive Summary:

Portugal is the second largest producer of GM crops in the EU. The area under GE corn rose by nearly 60 percent to 7,724 ha 2011, based on the mandatory notifications submitted by farmers. This was due to a higher overall corn area, severe corn borer attacks in the previous campaign, and the temporary suspension of new applications for agri-environmental measures in 2010.

The Portuguese implementing order that regulates agri-environmental payments in the country establishes that "the amount of support paid to production areas where genetically modified organisms are grown shall be zero".

The Government that was inaugurated on June 21, 2011 includes a newly formed Ministry of Agriculture, Sea, Environment, and Land Planning. The merger of agriculture and environment under the same ministry should mean greater policy coordination at the national and EU level.

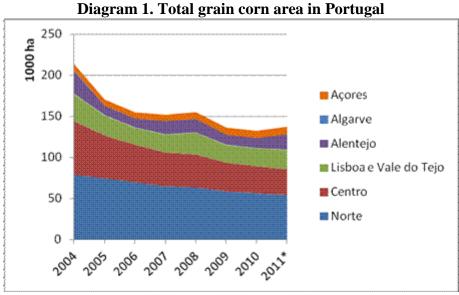
The Legislative Assembly of the Azores voted on a proposal on May 2012 from the Regional Government to regulate the cultivation of biotechnology crops in the Region. When signed into law the document will effectively prohibit the commercial cultivation of GE crops on the archipelago.

Section II. Plant Biotechnology Trade and Production:

Commercial Planting

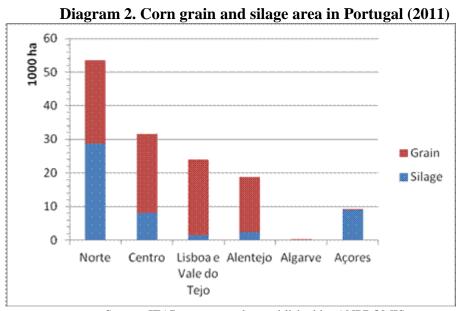
Currently the only varieties of GE organisms planted for commercial use in Portugal are those derived from the genetically modified organism MON810.

The National Association of Corn and Sorghum Producers (ANPROMIS) estimates total corn area in Portugal to reach 137,413 ha in 2011, up from 132,488 ha in 2010. These numbers are based on yet unpublished farmer declarations to the Portuguese Financial Institute of Agriculture and Fisheries (IFAP). Diagram 1 shows a breakdown of these declared areas by Region on mainland Portugal.



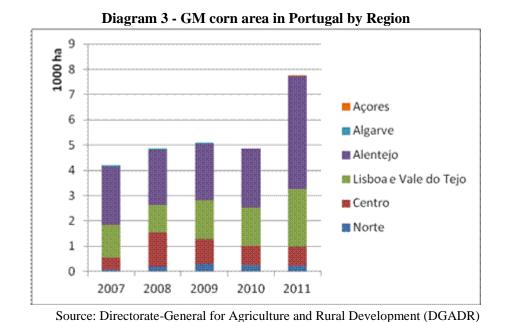
Source: IFAP and *IFAP temporary data for 2011 published by ANPROMIS

The North and Center of the country are where most corn is produced for both grain and silage uses (Diagram 2).



The planting notifications submitted to the Ministry of Agriculture show that the area under GE Bt corn in 2011 rose by about 60 percent to 7,724 ha (Diagram 3). The reasons for this were:

- The overall corn area increase and in particular the 58.4 percent grain corn production increase in the Alentejo. Alentejo is a region where the average farm area is higher and where the costs with the coexistence measures can more easily be borne by farmers.
- Severe corn borer attacks in the previous campaign.
- The temporary suspension of new applications to Agri-environmental payments in 2010. The implementing order that regulates agro-environmental payments in Portugal (<u>Portaria n.229-B/2008 of 6 March 2008</u>) establishes in its Article 12, Paragraph 11, that "the amount of support paid to production areas where genetically modified organisms are grown shall be zero". This fact alone has a very important impact on farmers' planting decisions.



Research and Development – Field Trials of GM Crops

According to Decree-Law n. 72/2003, of 10 April, that regulates the deliberate release in the environment of a GMO, a company that wishes to perform an experimental trial with a GMO should submit a notification to the Portuguese Agency of Environment (APA) as this is the national competent authority. The decision to release a GMO in the environment is based on an assessment of the risks for the environment and human health. During the assessment process, and according to the same decree-law, APA gives its opinion after consulting with the Directorate-General of Health (DGS) and the Directorate-General for Agriculture and Rural Development (DGADR). The last official field trials of GM crops ended in 2010. These were for the gliphosate tolerant NK 603 corn variety.

Imports of Biotech Plant Products

a. Seed

Portugal sources some of the GM corn seed directly from the U.S. and Chile but the majority is U.S. produced seed imported after repacking in France and other Member States. Besides the varieties included in the Common Catalogue in 2012, the Decision 2004/842/EC allows for the commercialization of seed varieties that are in the process of inclusion in the catalogue of a Member State and to which a temporary sales authorization has been issued. This authorization is granted by the national authority of the country where the inscription process is running, it is limited in time, quantity, and the countries where it can be sold.

b. Grain

Portugal benefits from a reduced-tariff quota for the import of 500,000 tons of corn from third countries with an import duty that cannot exceed 50 euro per ton. This agreement, known as "Abatimento" was negotiated under the U.S.-EU Enlargement Agreement in 1986 as compensation for the loss of the Iberian Peninsula grain market. However, in recent years, only in 2011 did Portugal import corn products from the United States. Most corn imports under this quota system are from third country suppliers because of the very slow approval mechanism for new GE varieties in the EU and its asynchronicity with U.S. approvals.

Section III. Plant Biotechnology Policy:

GM crops field register status

Farmers must submit a declaration of their intention to plant GE crops to the official services of the Ministry of Agriculture. A court decision in May 2010 made the Portuguese Ministry of Agriculture disclose all the information relative to farmers who planted GE varieties in the years 2005 to 2008. It is feared that this may have set a precedent for the following crop years.

National Coexistence Rules

Following the Commission Recommendation 2003/556/EC, the Portuguese <u>Decreto-Lei n.160/2005</u> includes a set of rules and obligations to famers, farmers' organizations, and seed companies and it establishes the remit and responsibility of the Government Authorities. New technical requirements are defined for the growing of each species, so as to reduce to a minimum the accidental or unavoidable presence of GE material in non-GE crops. It is taken into account the characteristics of the organic production mode and the production of special quality products.

GM Production Zones (PZ) and GM Free Zones (FZ)

Portugal was one of the first countries to create legislation that recognizes the right of farmers to voluntarily associate and establish both GE Production Zones and GE Free Zones:

- In <u>GE Production Zones</u> farmers are still mandated to fulfill all legal obligations related to farming GE varieties, namely completing training requirements and notifying the State and adjacent farmers about their GM crop farming intentions. However, and except for limit zones, farmers are exempt from applying measures to minimize the accidental presence of GE material. In 2010, 21 production zones were active in Portugal, accounting for 46 percent of total biotech corn planted area.
- The initiative to create a <u>GE Free Zone</u> can stem from the farmers or from the Municipal Administration. In the latter case, farmers are still required to express their opinion and the process will only advance if farmers give their public consent. The right for an individual farm to be excluded from the free zone is safeguarded. In October 2007 the Municipality of Lagos was declared a GE Free Zone.

Autonomous Region of Madeira

The Portuguese Autonomous Region of Madeira became the first Region of the EU to declare itself a zone free of the cultivation of genetically modified organisms (GMOs) since the European Commission proposed to confer Member States the freedom to allow, restrict or ban the cultivation of GMOs on part or all of their territory, in July 2010 (see 2011 GAIN report).

Autonomous Region of the Azores

The Legislative Assembly of the Azores voted in May 2012 a proposal from the Regional Government to regulate the cultivation of biotechnology crops in the Region. The document was approved with the votes of the socialist party (PS) in power and the communist party (PCP), effectively prohibiting the cultivation of GE crops for commercial ends in the archipelago. The motives alleged by the government for proposing this legislation were that the Region's environmental quality and biodiversity wealth were endangered by the cultivation of GE crops.

Section IV. Plant Biotechnology Marketing Issues:

Traceability and labeling

The coming into force of Regulation (EC) N. 1830/2003 and Regulation (EC) N.65/2004 made it mandatory for the rules of traceability and labeling to be observed. This encompasses seed of GE varieties and food and feed made from GE organisms:

a. Seed

The packages with seed of GM varieties must display an orange colored label as the one shown in Fig. 1 in which it is stated "Variedade Geneticamente Modificada" and the code identifying the GMO that originated it. Farmers must communicate in writing to the operator purchasing their products that the product is derived from a GMO and the single identifying code of that GMO. They are required to keep copies of those documents for a period of five years.



Fig.1 – Label used in packages of seed of genetically modified varieties Source: DGADR

b. Feed and Food Products

Regulation (EC) N. 1830/2003 established that food and feed products containing GMOs must be labeled as such. According to the <u>EU summary of legislation</u> "food and feed products which contain a proportion of GMOs of less than 0.9 % of each ingredient are not labeled as GMO on the condition that the presence of the genetically modified organism is adventitious or technically unavoidable."

Public Opinion

A 2011 <u>Eurobarometer survey</u> shows that Portuguese citizens are less worried with the use of genetically modified organisms in farming than the EU average citizen. From a list of environmental issues, 13 percent of the Portuguese respondents included the use of GE organisms in farming in their top five worries against an EU-27 average of 19 percent.

Section V. Plant Biotechnology Capacity Building and Outreach:

Mandatory Training

The training of farmers that wish to cultivate GE varieties is mandatory in Portugal. Farmers participate in training sessions developed by seed companies or farmers' organizations. These training sessions follow a program established by DGADR. These sessions include general coverage of national and EU legislation about GMO and about the main characteristics of GM insect tolerant corn.

Seminar on Agro-biotechnology

The Portuguese Center for Information and Biotechnology and the Embassy of the United States coorganized a seminar on Agro-biotechnology at the Superior Institute of Agronomy (ISA-UTL) in Lisbon on January 24th, 2012. The main speaker was Prof. Peter Davies, a United States Department of State Jefferson Science Fellow. Portuguese speakers included the President of CIB, the Secretary-General of the Portuguese Association of Animal Feed Producers (IACA) and representative of the Federation of Portuguese Agro-Industry Associations (FIPA), a Professor of Genetics at the Superior Institute of Agronomy (ISA-UTL) and a Portuguese farmer.

Section VI. Animal Biotechnology:

There is no reported use or research into genetically modified animals for agricultural use in Portugal.

Annex A – Legal background regulating GMOs in Portugal

EU Base Legislation	Directive 2001/18/EC of the European Parliament and of the Council of 12 March 2001 on the deliberate release into the environment of genetically modified organisms and repealing Council Directive 90/220/EEC - Commission Declaration
	Regulation (EC) No 1829/2003 of the European Parliament and of the Council of 22 September 2003 on

	genetically modified food and feed
	Regulation (EC) No 1830/2003 of the European Parliament and of the Council of 22 September 2003
	concerning the traceability and labeling of genetically modified organisms and the traceability of food and
	feed products produced from genetically modified organisms and amending Directive 2001/18/EC
	Regulation (EC) No 1946/2003 of the European Parliament and of the Council of 15 July 2003 on
	transboundary movements of genetically modified organisms
	Commission Regulation (EC) No. 641/2004 on detailed rules for the implementation of Regulation (EC)
	No. 1829/2003 of the European Parliament and of the Council as regards the application for the
	authorization of new genetically modified food and feed, the notification of existing products and
	adventitious or technically unavoidable presence of genetically modified material which has benefited from a favorable risk evaluation.
	Commission Regulation (EC) No 65/2004 of 14 January 2004 establishing a system for the development
	and assignment of unique identifiers for genetically modified organisms Council Directive 2002/53/EC of 13 June 2002 on the common catalogue of varieties of agricultural plant
EU Sectoral Legislation	species
	Council Directive 2002/55/EC of 13 June 2002 on the marketing of vegetable seed
	Council Directive 2002/53/EC of 13 June 2002 on the marketing of vegetable seed
	Council Directive 2002/54/EC of 13 June 2002 on the marketing of seed of oil and fiber plants
	Council Directive 66/401/EEC of 14 June 1966 on the marketing of fodder plant seed
	Council Directive 66/402/EEC of 14 June 1966 on the marketing of cereal seed
Commission Recommendations	Commission Recommendation 2004/787/EC on technical guidance for sampling and detection of
	genetically modified organisms and material produced from genetically modified organisms as or in
	products in the context of Regulation (EC) No. 1830/2003.
	Commission Recommendation 2003/556/EC, of 23 July 2003 on guidelines for the development of national
	strategies and best practices to ensure the coexistence of genetically modified crops with conventional and
	organic farming
National Legislation	Decreto-Lei n.º 72/2003, of 10 April 2003, regulating the deliberate release into the environment of genetically modified organisms. Transposes Directive 2001/18/EC of the European Parliament and of the
	Council.
	Decreto-Lei n.º 168/2004, of 7 July 2004, ensures the execution of Regulation (EC) No 1830/2003 of the
	European Parliament and of the Council
	Decreto-Lei n.º 164/2004, of 7 July 2004, amends Decreto-Lei n.º 72/2003 of 10 April 2003
	Decreto 7/2004, of 17 April 2004, approving the Cartagena Protocol on Biosafety to the Convention on
	Biological Diversity
	Decreto-Lei n.º 160/2005, of 21 September 2005, regulating the cultivation of genetically modified
	varieties with the aim of ensuring its coexistence with conventional and organic crops
	Portaria n.º 904/2006, of 4 September 2006, establishing the necessary conditions and procedure for the
	creation of zones free of genetically modified varieties
	Decreto-Lei n.º 387/2007, of 28 November 2007, creating the Compensation Fund destined to compensate
	economic damages from the accidental contamination with genetically modified varieties
	Portaria nº 1611/2007, 20 December 2007, amending Portaria n.º 904/2006, of 4 September 2006,
	establishing the necessary conditions and procedure for the creation of GMO free zones
	Decreto Legislativo Regional n.º 15/2010/M, of 13 August 2010, declaring the Autonomous Region of
	Madeira to a zone free of the cultivation of varieties of genetically modified organisms (GMO)
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