

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 12/5/2012

GAIN Report Number: CI1236

Chile

Post: Santiago

Transgenic seed production in Chile

Report Categories:

Biotechnology - GE Plants and Animals

Approved By:

Rachel Bickford, Agricultural Attaché

Prepared By:

Luis Henniscke, Agricultural Specialist

Report Highlights:

Transgenic seed production in Chile reached record levels this year due to the northern hemisphere drought. Projections for the 2012-2013 seasons predict a total of 40,000 hectares planted, leading to seed sales that could exceed US\$200 million. Beyond the planting and production of seeds, a controversial drafted law that would regulate transgenic vegetable production continues to languish in Congress.

General Information:

Biotechnology Trade and Production:

The GM seeds business in Chile is experiencing a special time. Chile is one of the most important multiplier of GM seeds in the world and this past year it has benefited by the complex weather situation in the northern hemisphere, especially in the United States, whose drought has caused a loss of 30% in seed production, so seed companies looked to Chile to complete their needs of seed for next year's production.

The numbers speak for themselves. The planted area during the 2011-2012 seasons had already been the highest since the start of genetically modified seeds production in 1996: over 31 thousand hectares planted. However, for the 2012-2013 periods it is projected that the figure is going to be even higher, exceeding 40 thousand hectares.

As a result a sales record of an excess of US\$200 million is expected according to Anpros – The Chilean National Association of Seed Producers. An industry official added that the business of the seed industry in Chile is counter-seasonal, which means that production in Chile depend on the requirements of the northern hemisphere. Corn seed dominates the seed production activity; an estimated 25 thousand hectares are planted in Chile every year. Other GM crops produced besides corn are soybeans and canola. The industry expects next year that plantings for corn seed will exceed 35 thousand hectares. Currently a planted hectare produces about 3,000 kg of corn seed which is sold for about US\$ 3 and 3.5 kg, so gross income is about US\$ 9,500 per hectare, according to the industry official.

Despite the promising situation of GM seed production in Chile, the reality about the future of GMOs in Chile is complicated. While the seed production has been regulated since 2001 by a special Government resolution, GM crops have no formal regulation as of today and farmers cannot grow them for use domestically. Congress is still deliberating over the formal regulations with no hope that they will be done soon.

The Minister of Agriculture has criticized the lack of Congressional action and pointed out that the country is hurting, small and medium size farmers by not allowing them to compete on equal terms with farmers of other countries of the world in the production of the same crops. But there are also influential groups that oppose GM crops stating "I do not want GM" and "Chile without GMOs".