Program Notice

FGIS PN-04-03

11/24/03

STATEMENT FOR NON-TRANSGENIC WHEAT

1. PURPOSE

This program notice transmits the policy for continuing to provide a non-transgenic letterhead statement for wheat after Roundup Ready ® wheat (RRW) is deregulated by the Animal and Plant Health Inspection Service (APHIS), but not in commercial production.

2. BACKGROUND

In 1999, wheat importers and exporters asked the Grain Inspection, Packers and Stockyards Administration (GIPSA) to declare that the United States does not produce transgenic wheat. GIPSA began, in accordance with the authority provided under the United States Grain Standards Act (7 U.S.C. 79), issuing the following letterhead statement upon the applicant's request in September 1999.

"There are no transgenic wheat varieties for sale or in commercial production in the United States."

GIPSA issues this statement on the basis that any transgenic wheat under development is a regulated article under the Animal and Plant Health Inspection Service regulations and not available for commercialization.

On December 19, 2002, the Monsanto Company petitioned the Animal and Plant Health Inspection Service to deregulate spring wheat containing the herbicide tolerance trait, known as Roundup Ready ® wheat (RRW). Monsanto has also committed to the wheat industry to achieve several specific milestones before making RRW spring varieties available to farmers. The possibility exists that Monsanto will complete the necessary U.S. regulatory process for RRW before achieving all milestones, thus, resulting in a period of time when RRW will be deregulated but not commercialized.

Wheat industry representatives have encouraged GIPSA to continue issuance of the current statement to facilitate the marketing of U.S. wheat after RRW is deregulated by APHIS but not in commercial production.

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3. POLICY

GIPSA will issue (upon the request of an applicant for inspection services) the above non-transgenic wheat statement for wheat shipments under the following conditions:

- a. The applicant for official inspection services requests the non-transgenic wheat statement for a specific wheat shipment; and
- b. The Monsanto Company complies with the following requirements:
 - (1) Prior to January 1 of each year, Monsanto provides GIPSA with a signed statement confirming that the company has not sold or distributed, and will not sell or distribute RRW seed for the production of commercial grain in the forthcoming growing season.
 - (2) Monsanto develops and maintains a Quality Management System (QMS) to assure that seed is not sold for commercial grain production.
 - (3) Monsanto provides GIPSA with RRW reference material, the specific primer sequences for the modified DNA in RRW, and any special procedures unique to the analysis of RRW.

4. **DEFINITION**

GIPSA defines "<u>commercial production</u>" for the purposes of the letterhead statement as: *The propagation in the United States, for food or feed, of a transgenic wheat variety.*

5. DISCONTINUATION OF STATEMENT

- a. GIPSA shall cease issuance of the statement on June 1 of that year if Monsanto does not notify GIPSA prior to January 1 as specified in Section 3.b.(1). Discontinuing the statement on June 1 provides time to continue the statement before RRW enters the commercial market as a commodity since RRW production is limited to seed in the field prior to this date.
- b. GIPSA shall cease issuance of the statement immediately if Monsanto fails to comply with the requirements in Section 3 of this notice.
- c. GIPSA shall cease issuance of the statement immediately if another transgenic wheat is deregulated prior to RRW.

6. EFFECTIVE DATE

This program notice is effective when RRW has completed the U.S. regulatory process.

7. QUESTIONS

Please direct any questions regarding this notice to the Policies and Procedures Branch.

/s/ David Orr

David Orr, Director Field Management Division