MEMORANDUM

TO: Reporters and Editors

RE: EU Implements New Biotech Regulations,

Grassley Troubled

DA: April 16, 2004

Sen. Chuck Grassley, chairman of the Senate Finance Committee, today commented on the implementation of two regulations of the European Union affecting agricultural biotech products, which are known in Europe as genetically modified organisms (GMOs). These regulations, Regulation (EC) No. 1829/2003 and Regulation (EC) No. 1830/2003, were adopted on September 22, 2003, and they will both be implemented as of April 18.

"I'm very concerned about these EU biotech regulations. They're yet another example of the official stigmatization of agricultural biotech products by the European Union. EU officials admit that agricultural biotech products are safe, yet they invoked illusory threats to humans, animals, and the environment as a basis for adopting these unnecessary and burdensome regulations. These regulations won't do a thing to improve health or the environment in Europe, but they could even further restrict U.S. commodity and food shipments there.

"I'm especially troubled by the selective application of these laws. A lot of popular products in the European Union produced with GMOs – cheese, wine, and beer – will apparently not be covered by the regulations. This strikes me as a little curious.

"These regulations threaten to harm farmers in Iowa and other states. I'll closely follow their implementation, as well as look into their possible inconsistencies with the WTO obligations of the European Union, in the coming weeks."

The new regulations mandate the labeling of food and feeds that contain more than 0.9 percent of biotech varieties approved by the European Union. Labeling will be required whether or not biotech traits can be detected in the relevant products, which means that highly refined oils produced from biotech corn and soybeans must now be labeled. The traceability of biotech products will be required throughout the chain of commerce, and operators in the chain will have to retain documentation of their transactions for five years.