



Foreign Agricultural Service

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## **Netherlands**

### **Market Development Reports**

#### **Discussions with Dutch Grain & Feed Trade**

#### **Industry on Biotech Foods**

**1999**

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#### **Report Highlights:**

**Ambassador Cynthia P. Schneider met with Dutch Grain and Feed Industry Representatives to discuss biotechnology issues/concerns and Ambassador Schneider's upcoming biotech conference in the Hague in January 2000.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
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The Hague [NL1], NL

Ambassador Cynthia P. Schneider met with Dutch Grain and Feed Industry members to discuss biotechnology issues/concerns and Ambassador Schneider's upcoming biotech conference in the Hague in January 2000. Citing consumer preferences in Europe, the Dutch group urged the United States to create a workable system to certify genetically modified (gm) free food products while also stressing the need for a new food safety agency in the EU. The group said their members continue to support a global free trading market system and lower export subsidies and they felt that gm foods would be accepted by most consumers in the long term. However, in the short term, all agreed that there is a crucial need for suppliers to be able to provide non-gm crops and ingredients to their customers. The discussion centered on the issues of consumer demand, identity preservation, product segregation, and an EU Food Safety Agency. Finally, they welcomed the initiative of U.S. Embassy The Hague's conference on biotechnology as a means to open a more informed and balanced dialogue on the pros and cons of biotechnology. Emphasizing that the U.S. in general and the American organizers of the conference in particular need to be sensitive to European consumer concerns, the Dutch offered advice on strategies and speakers.

On September 3, 1999, Ambassador Cynthia P. Schneider (accompanied by DCM, Agcounselor and other Embassy Officials) met with representatives from Cargill, the Royal Dutch Grain and feed trade association (Het Comité), and Meneba (which owns the largest flour mill in Europe) to discuss general views about biotechnology issues, specific industry concerns, and Ambassador Schneider's upcoming biotech conference at the U.S. Embassy on January 20-21, 2000. "Het Comité" is the association that represents all Dutch grain and feed traders, including companies such as Cargill, EBS and Archer Daniels Midland (ADM). "Het Comité" supports global free trading markets system and lower export subsidies.

All participants agreed that many consumers in Europe feel that they should be able to make their own decisions about purchasing and consuming genetically modified food products. The Royal Dutch Grain and Feed Trade Association President, R. Hoeffelman stressed that USDA should set up a system of identity preservation (ip.) of U.S. agricultural products, possibly through the Federal Grain Inspection Service (FGIS). According to "Het Comité", it is becoming essential to develop a system which guarantees that non-gm foods could be sold next to gm products. Members believe that this strategy would help satisfy consumers in the short term, allow them time to learn the benefits of gm foods and experience the additional costs of non-gm products. They feel consumers will eventually opt for the less expensive gm foods.

Non-gm supplies are now being requested by many users. Dutch agriculture, especially the dairy industry, according to "Het Comité," is very sensitive to consumer demand for non-gm products in major export destinations such as Germany. They added that demand is increasing from Dutch retailers for non-gm ingredients in their private label brands, which account for about 30% of Dutch retail sales. ADM's recent request for segregated gm crops reflects the need for even large companies to respond to consumer demands. They emphasized this by noting that Japan's largest processor of soybeans also announced that they will not use gm soybeans.

Participants enthusiastically supported an EU food safety agency, but were skeptical about being able to create such an agency quickly. "Het Comité" reps said they know that U.S. consumers have faith in the Food and Drug Administration (FDA). They feel that EU consumers need a similar independent body to build confidence in the wake of food safety crises such as BSE, swine fever and the recent dioxin crisis.