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Report Highlights:

This report supplements information in the EU Biotechnology Annual E35091. Greek public opinion is galvanized against agricultural biotech and political figures across party lines perceive that they have nothing to gain by supporting biotechnology. Greece maintains a ban prohibiting the cultivation of an EU-approved biotech rapeseed. To date there is no coexistence legislation in Greece.

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SECTION I: EXECUTIVE SUMMARY

Greece as a Member State of the EU has never voted to approve any biotech event. The political risk of such a vote is negative, and cuts across all party lines. Since 1998 Greece has maintained a marketing ban to prohibit rapeseed (canola) despite the Commission's approval of this product based on positive risk assessments. The rapeseed variety, Bayer Topas 19/2 was judged by the Greek authorities to pose a risk based on the prevalence of rapeseed's wild mustard relatives found in Greece.

At the time of this writing coexistence legislation has not been concluded in Greece. Details are given in Section III, Policy.

The Ministry of Agriculture is responsible for checking that biotech labeling on feed and seed imports is in conformance with EU norms. The Hellenic Food Control Agency, EFET, controls food biotech labeling. Details are given in Section III, Policy.

SECTION II: BIOTECHNOLOGY TRADE AND PRODUCTION

Greece does not produce any biotech crops either experimentally or commercially. Agricultural Universities and the National Foundation carry out agricultural Research in Greece. The Agricultural Research Foundation (NAGREF) operates under the umbrella of the Ministry of Agricultural Development and Food. NAGREF has recently developed a Biotechnology Research Section, operating on very limited staff and funds. The School of Agriculture at the Aristotelian University of Thessaloniki, Laboratory of Genetic Engineering and the University of Crete, Laboratory of Molecular Biology are considered to be the most progressive entities in the country on biotechnology, with pro - GM scientists who also participate in National Biotech Committees. To date, no biotech products have been developed or field-tested in Greece.

The most notable product of agricultural biotechnology that Greece imports is soybeans and soybean meal. Imported quantities of GM and non-GM soybeans are commingled. US origin GM and non - GM soybeans and soybean meal (all types) from the US in 2003 and 2004 did not exceed 160,000 tons. In the 1990s, the US was the sole supplier to the Greek crushing and animal feeds industry, with total annual imports of nearly 350,000 Tons. In CYs 2003 and 2004, total soybean (and meal) imports into Greece reached 390,000 tons yearly, with only 45 percent originating in the US, followed by Brazil and Argentina.

Food manufacturers know well that the Greek public is averse to biotech content in foods. This issue of the "use of GMO products" versus "not using GMO products" extends to feed compounders. Fish meal producers, poultry integrators, dairy complexes and swine producers, in the majority, are requesting from soybean crushers and soybean importers a certificate to indicate no biotech material in their feed formulations whether the product is corn or soy. In this way they feel they have something positive to deliver to consumers, and avoid NGO protests or NGO action singling out their product. The position of the GOG Ministry of Agriculture is that Greece under the EU legislation can import approved GM soybeans and meal, and feed millers and others may choose to buy either GM or non-GM. While the trade accepts that non-GM feed ingredients are more expensive, they also know that price is a key factor of concern to the buyer.

Conventional Seeds for Planting and Adventitious Presence (AP)

Field crop seeds, especially cotton and corn, are imported mainly from the U.S.; U.S. market share is approximately 80%. Since 2002 this share has declined compared to previous levels. For cottonseed in particular, this is due to the GOG Ministerial Decision which requires a "non presence" of biotech material (AP) in imported seed. Despite this threat, no shipments of U.S. cottonseed in 2005 have been turned back due to the presence of GM material, although sampling and testing were done. Samples of both imported and domestically produced cottonseed were taken for routine testing for transgenic material content. Testing took place on a random basis and no GM "contaminated" seed lots were found. Periodically, Greenpeace has proceeded with their own sampling and testing of seeds obtained in the farming regions, with the scope to publish their findings in the local press, naming the companies supplying cotton and corn and giving press conferences on the issue, and even presenting questionable findings. Under these circumstances, sampling and GM content testing methods are highly questionable and companies do not wish to respond or become vulnerable to negative press coverage. In most cases the trade ignores "such noises" but the pressure is noticeable.

Future legislation in the EU, which may reduce tolerance levels in imported seed lots, may negatively affect trade. Presently seeds are imported according to a Ministerial Decision in effect since 2001 (No. 332657/16 Feb. 2001) providing a 0.5 tolerance for corn seed imports and requiring non-presence of transgenic material in cottonseed for planting. With proper certification from the US companies and a scientifically justifiable interpretation of the Decision by the Greek authorities, imports of US seed for planting continue, although with some difficulties from year to year. The sampling size and test methods decided by the authorities determine whether AP is acceptable or not. Lack of predictable sampling size and test methods hamper this market.

Transshipments

Greece is not a food aid recipient but is the crossroad of food trade and food aid. Various agricultural products and commodities are transhipped to the Balkan countries and new Balkan states, and the harbour of Thessaloniki is actively engaged in this activity. Thessaloniki is located only a few miles away from Yugoslavia, Albania and Bulgaria. Grain shipments (wheat and corn food aid) transit through Thessaloniki to these countries. Less than five years ago, a US. Corn shipment (food aid) to Kosovo, became Greenpeace's target in the harbour for carrying biotech corn. The protest lasted only for a few hours and cargo was transited smoothly.

Greece does not produce any biotechnology crops or export any such products to the United States.

SECTION III: BIOTECHNOLOGY POLICY

In the late 1990s, Greece joined six member states to ban imports of corn and rapeseed approved by the European Union. Although these actions were a violation of European Law, the EU Commission refused to challenge the bans. In 1998, member states including Greece formed a block against EU regulatory approval for new agricultural biotech products. This moratorium clearly breached WTO rules, which specifically required that measures regulating imports be based on "sufficient evidence" and that countries operate regulatory approval procedures without "undue delay". In the ensuing 7 years since the moratorium was imposed, Greek ministries (for both parties in Government since 1997) have chosen to listen most attentively to the skeptics, who not only imposed a moratorium on the approval process, but also have impeded research and prohibited science from

possibilities to improve Greek agriculture and the rural quality of life that could reap benefits from agricultural biotechnology. Greenpeace and anti – GM groups in Greece are influential, have managed to gain access in most political parties, have access to the current administration and also national media. They undermine agricultural biotechnology, the trade of biotech foods in Greece, and are active in maintaining bans on imports of modified crops, even those approved by the EU (i.e. soybeans and soybean meal). There is a widespread negative sentiment among the Greek population regarding biotech crops and food, in large part due to the one-sided “influenced” reporting in the press and politicians vocal opponents of biotechnology.

Before the moratorium effectively started, each member state had to vote on any bioengineered product approval, either for commercialization or planting within the EU. In Greece, a National Biotechnology Committee reviews the dossiers case by case. Members of the Committee are eminent academics from the field of Genetic Engineering and representatives from seven (7) Ministries, including the Ministry of Agriculture, Health, Environment, Development, National Economy (Finance), Foreign Affairs & Culture. The GOG’s Ministry of Environment is the reporter Ministry for Agricultural Biotechnology matters. The National Biotech Committee, after reviewing dossiers, reports to the Ministry of Environment. This report is a technical and/or scientific statement, which the GOG Ministry of Environment has to consider before any voting decision is to be taken in Brussels. In the past, very often, a political decision was taken, not necessarily based on scientific reports submitted by the Committee. Both traditionally and recently (NK 603, GM rape Topas 19/2 and MON863 maize cases), Greece is reluctant to take any positive decisions even in cases where approval was indicated according to the National Biotech Committee and the European Food Safety Authority’s (EFSA) statements that there was no basis for scientific objections. Greece upholds a restriction on the GM rape Topas 19/2 under the Article 16 of EU Directive 90/220/EEC (known as the safeguard clause). Greece has voted negatively in all but one case, the Monsanto Roundup Ready Soya. In that instance Greece decided to abstain.

Since 2000, a parallel National Bioethics Committee is also operational in Greece with member representatives from the Greek Orthodox Church, universities, NGOs and consumer organizations. This committee operates independently from the Scientific Committee on Biotech and submits its reports to the Ministry of Environment. Their views are not always based on scientific evidence, but mostly on philosophical approaches to biotechnology developments, highly preoccupied but also influenced by NGO views. The latter usually argue that risk assessment research has been unsatisfactory.

The Hellenic Food Control Agency (EFET) is the organization charged to enforce biotech food controls. EFET is recently established and operates under the Ministry of Development, Industry and Trade. EFET has 15 offices in the country with limited staff capacity and resources. EFET is the official agency responsible for enforcing Traceability and Labeling Regulations, which came in to effect EU-wide in April 2004.

Ministry of Agriculture has the responsibility of controlling imports of Ag. Products and food at customs, while the National Chemical Laboratory (under the Ministry of Finance) conducts all laboratory testing, case by case.

For edible products, controls are taken by EFET, in cooperation with the Ministry of public order (Market Police Force), while Agricultural inputs (seed, animal feed, other bulk commodities) are under the responsibility of the Ministry of Agriculture. Dairy and livestock products are under the responsibility of the Ministry of Agriculture (Veterinary Division).

Greece does not allow field-testing of biotechnology crops. In the 1990s, a Greek tomato paste industry attempted a small scale experimental cultivation of GM Industrial Tomatoes in Central Greece. The project was not successful. Activists located the field and plants were uprooted in their early growth.

Coexistence Policy & Regulations in Greece

According to the Coexistence Regulations of the European Union as of December 16, 2004, Greece was to have prepared a draft law by spring 2005 and was to have presented it to the Parliament. Guidelines for the draft called for identification of good technical practices (GTP) and liability regulations. At the time of this writing the GOG Ministry of Agriculture has not presented the draft to Parliament. According to our sources, the GOG faces both technical difficulties and opposition to coexistence regulation.

Local initiatives to declare GM free zones in Greece began just as the European Union seemed to be on the verge of loosening its de facto moratorium on the genetically modified crops.

NGOs and Philosophical Opposition

In 2000 Greenpeace initiated a discussion on GM-Free Zones with the newly formed National Bioethics Commission. DIO (Organic Certification Body) and Greenpeace asked the Government to support the idea to declare Greece a GM-free zone. Later in 2003 a local prefectural council vote on the Ionian island of Zakynthos - a producer of high-quality crops - asked the government to declare all of Greece a GM-free zone. Shortly thereafter, anti-GM sentiment spread to the Central Greek Department of Thessaly, a region whose fertile plains have earned it the nickname of breadbasket of Greece. In Thessaly cereals, cotton, industrial tomatoes, sugarbeets, and forage plants are grown. Note: this is in contrast to fruit tree crops, olive oil, tobacco, and grape production. End Note. In a broad and coordinated effort, more than fifty agricultural, environmental and civic groups have created the Panthessalian Network against GM crops, with the purpose of organizing information campaigns for both citizens and farmers and having Thessaly declared a GM-free zone. They have also called on the rest of Greece to participate in creating a truly Pan Hellenic network against GM crops. Even before the creation of the Network, the prefectural council of Thessaly's Trikala prefecture had voted its desire to become a GM-free zone.

The prefecture of Rhodope has joined the European Network of GMO-free regions.

Simultaneously, Greenpeace Greece proposed to all the Local Authorities in Greece to declare their prefectures and municipalities GM-Free zones. The Heraklion local authority in Crete was the first that started a discussion, and soon the municipal council voted to declare the area GM-free. The council hopes to open a dialogue with the Crete's other local authorities with the aim of extending the ban to the entire island.

In October 2004 the last of the 54 prefectures voted to declare themselves GM-Free. Region by region, the whole of Greece has declared itself GM-free.

Based on the above facts and developments, the GOG will delay presenting a coexistence regulation for an undefined but surely long period of time. The GOG is currently facing unpopularity over CAP Reform and they are unwilling to make the unpopular move for coexistence. CAP reform is due to be implemented in 2006 with no less technical and

administrative difficulties. Local authority elections will come up in October 2006 in Greece and any probable political costs will have to be considered.

The Traceability and Labeling Regulation were put in force in April 2004. Greece started implementing the EU regulations on January 1, 2005. EFET is the agency responsible for enforcement and market controls in cooperation with the National Chemical Laboratory (track the movement of GM products through the production and distribution chains). Due to lack of staff and funding, in spite of the Commission's development of technical guidance on sampling and testing methods prior to the application of the regulation, EFET has not developed proper mechanisms to fulfill requirements. Sampling and testing takes place on a random basis and in reaction to Consumer Organization reports and individual complaints. Food and feed products derived from GM and clearly labeled and placed in the domestic food market chain are limited after the implementation of the legislation.

Greece signed the Biosafety Protocol on May 24, 2000, ratified it on May 21, 2004 and entered into force on August 19, 2004.

SECTION IV. MARKETING ISSUES

Greek consumers are highly influenced by the media and NGO activism that are categorically opposed to both cultivation and consumption of GM (see policy section). Periodic "research" shows that 93% of Greeks do not want GM cultivation on their land nor GM products on their plate. Many demonstrations concerning the future of agriculture and food production have already taken place in major cities, especially after the EU's latest decisions. It has to be noted however, that this research is conducted mostly by NGOs without properly constructed questionnaires. Their results are not surprising given that they address a misinformed public.

Most studies and/or published work on the topic of biotechnology in Greece are of an anti – GM nature, highly biased against agricultural biotechnology and scantily based on science.