



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 7/28/2006

GAIN Report Number: SW6015

Sweden

Biotechnology

Agricultural Biotechnology Report

2006

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Report Highlights:

This report gives an overview of the situation for genetically engineered products with regard to regulation, policy, and the marketing environment in Sweden. For information on the general EU level, please refer to the USEU Agricultural Biotechnology Report, E36080.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Stockholm [SW1]
[SW]

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SECTION I. EXECUTIVE SUMMARY

As a member of the European Union (EU), Sweden fully applies EU regulations regarding approvals, traceability and labeling of genetically engineered (GE) products.

In 1998, the breakdown of the EU's approval process for GE products blocked U.S. exports of several agricultural products to Sweden. Since then, the U.S. has lost its share of the Swedish market for soybean oilcake/meal. In 2005, Sweden's imports of soybean meal were valued at €55 million (about USD 70 million). Over the past five years, these imports were valued at a total of €350 million (about USD 440 million).

Sweden continues to import conventional sweet corn from the United States for human consumption. However, U.S. feed corn has been locked out of the market. The value of the opportunity lost in supplying to Sweden a wide range of U.S. processed products containing GE ingredients is impossible to quantify. The farm sector has been unwilling to source U.S. soy and feed corn products as animal feed, afraid that they will be unable to find buyers for their meat and dairy products. On January 1, 2006, however, Sweden's meat industry ended its decade-long ban on GM feed. This policy shift was attributed to the increasing cost of sourcing GM-free Brazilian soybean meal. At present, the dairy, egg and poultry sectors continue to hold firm to their GM-free policy.

The food processing and retail sectors remain concerned over the possibility of negative consumer reaction and the ever-present threat of disruptions from anti-biotech demonstrators.

This report provides an overview of the situation for genetically engineered products with regard to regulation, policy, and the marketing environment in Sweden. For information on the general EU situation, please refer to the USEU Agricultural Biotechnology Report at the following link:

[Annual Agricultural Biotechnology Report \(GAIN Report E36080\)](#)

SECTION II. BIOTECHNOLOGY TRADE AND PRODUCTION

There is no commercial production of biotech crops in Sweden. Several seed companies in Sweden have, however, developed their own GE varieties, including herbicide tolerant rapeseed, herbicide tolerant sugar beet and starch potatoes.

Until 2005, Sweden did not import biotech products or crops. Since January 2006, when the meat industry lifted its ban on GM feed, small quantities of GM soy products have been imported into Sweden. While demand for this product has been limited, there has reportedly been no negative reaction from the Swedish trade. The food processing and retail sectors remain concerned about the possibility of negative consumer reaction and anti-biotech demonstrations.

SECTION III. BIOTECHNOLOGY POLICY

Regulatory Framework

As an EU member, Sweden applies EU regulations to biotechnology. For information on EU regulations, please refer to the USEU Agricultural Biotechnology Report, E36080.

Responsibility for the monitoring and enforcement of laws and regulations on biotech in Sweden is divided between the Ministry of Agriculture, Food and Fisheries and the Ministry of the Environment. The Swedish Board of Agriculture is the authority responsible for regulating the contained use, deliberate release and placing on the market of biotech feed and seed. The National Food Administration is the authority responsible for regulating the placement of biotech foods on the market. The Swedish Gene Technology Advisory Board monitors developments in the field of gene technology, including ethical considerations, and provides advice on its use. The National Environmental Protection Agency plays an advisory role, providing input to other authorities on issues including deliberate release and market placement. The Agency also provides advice on the formulation of regulations for activities related to genetic engineering.

The Government of Sweden is positive but cautious towards GE food, feed and crops. At the EU level, Sweden often plays a mediator role in helping Member States come to consensus on GE legislation and approvals. Sweden has voted positively on almost all applications since the restart of the approval process in 2004. The major issues concerning agricultural biotechnology in Sweden today are related to the environment. The general view within the scientific community is that the health issue is no longer of major concern.

Approved Biotech Crops

Please refer to the USEU Agricultural Biotechnology Report, E36080

Field Testing of Biotech Crops

Sweden allows field tests of biotech crops. Since 1989, the Swedish government has approved the following 116 applications for field tests of biotech crops: potatoes (43), rapeseed (42), sugar beets (21), thale cress (4), apple rootstock (2), hybrid aspen (1), flax (1) and corn (1). Currently, there are 14 ongoing field trials in Sweden, including roundup resistant rapeseed and starch potatoes for industrial use.

Co-existence

In order to avoid the unintended presence of GMOs in conventional and organic products, the European Commission has published guidelines on co-existence for different types of farming. EU member states shall, based on the Commission's guidelines, develop national strategies and best practices for co-existence. The Government of Sweden (GOS) is currently working on its national strategy. In July 2005, the Swedish Board of Agriculture (BOA) was assigned by the GOS to develop a proposal for a national strategy. The BOA presented its proposal to the Swedish government in December 2005. A final strategy has not yet been approved.

Labeling

Please refer to the USEU Agricultural Biotechnology Report, E36080.

Biosafety Protocol

Please refer to the USEU Agricultural Biotechnology Report, E36080.

Biotech-related Trade Barriers

Please refer to the USEU Agricultural Biotechnology Report, E36080.

SECTION IV. MARKETING ISSUES

Generally speaking, Swedish importers regard the United States as a reliable trading partner with high safety and control standards. However, since U.S. field crops such as corn and soy are now mostly genetically engineered, U.S. sourcing has been disrupted. U.S. feed corn imports are particularly problematic as many GE corn varieties approved in the United States have not yet been approved and/or risk assessed by the EU.

Swedish customers are hesitant to accept GE ingredients in food. Consequently, the Swedish food industry will only utilize ingredients from conventional corn and soybean crops as retailers refuse to place processed products containing GMOs on grocery shelves.

Sweden is at a crossroads today and provides an interesting environment for a possible breakthrough in the GE debate within the EU based on the following:

- Sweden has a high reputation for food quality and food safety.
- Swedes have confidence in their regulatory systems and respect the opinions of their scientists.
- The population is generally well informed and is science-oriented.
- The Swedish government is positive towards GE when risks have adequately been assessed. It bases approval decisions on science.
- The Swedish market adopts U.S. food trends.
- Sweden would like to keep its agriculture and food processing industry competitive without dependence on trade barriers or subsidies.
- Food trends adopted in Sweden are quickly transferred to other countries in the region.

According to consumer surveys, it is likely that the majority of Swedish consumers would not be averse to purchasing GE foods. This is based on the acceptance of Kenth beer, a GE corn-containing product that was launched in Sweden 2004, and the introduction of traceability and labelling requirements to appease the Swedish consumer's demand to be informed.

Nevertheless, until there is a breakthrough at the retail level, including a willingness to weather the rather predictable Greenpeace demonstrations, Swedish food processors will likely be unwilling to incorporate GE ingredients and Swedish farmers averse to planting GE food and feed crops. While the meat sector has abolished its ban on GE feed, Swedish farmers remain reluctant to utilize GE feed.

SECTION V. CAPACITY BUILDING AND OUTREACH**Biotech Outreach Activities**

In 2004, post organized two major agricultural biotechnology outreach activities. In September 2004, FAS Stockholm organized a media training workshop for Swedish scientists in the field of agricultural biotechnology. Feedback from all of the participants was very positive and the event generated increased interest among the participants to be more active in the Swedish media debate on agricultural biotechnology.

In November and December of 2004, Dr. Eliot M. Herman of USDA/ARS participated in a regional Embassy Science Fellows Program in Sweden, Finland, Estonia and Latvia. The program was coordinated by the American Embassy in Stockholm and developed in cooperation with the American Embassies in Helsinki, Tallinn and Riga. The goal of the four-week program was to develop communications and linkages with scientists, educators, policy makers, regulators and the general public concerned with biotechnology in Sweden, Finland, Estonia and Latvia.

Related Reports from FAS Stockholm 2004-2006

Report Number	Title	Date Released
SW6004	GMO-Free Website	02/07/06
SW5016	Swedish Farmers Lift GM Feed Ban	10/27/05
SW5010	Agricultural Biotechnology Report	07/13/05
SW5005	Science Fellow Program Helps Improve Attitudes towards Biotechnology	05/31/05
SW4018	Media Training for Swedish Agricultural Biotechnology Scientists	12/08/04
SW4013	The Situation for Agricultural Biotechnology in Sweden	9/10/04