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Germany

Biotechnology

LLRice601 - Reaction in Germany

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Approved by:

Bobby Richey
U.S. Embassy

Prepared by:

Dietmar Achilles

Report Highlights:

German media reaction so far is relatively restrained. Initial reporting articles appeared in all major papers. Rice millers and processors are very concerned about potential findings of LLRice601 traces in products already in the processing or trading chain. German food safety authorities did sample and test rice for GMO presence already during recent years.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Berlin [GM1]
[GM]

Summary: In response to the presence of an unapproved biotech rice variety in U.S. rice supplies, the EU and Germany implemented new pre-shipment testing and certification requirements for U.S. rice on Thursday, August 24. In addition, U.S. rice currently on the EU and German market and in supermarkets will be required to be tested and recalled if found to contain the unapproved rice variety. Germany imports approximately \$20 million dollars of U.S. rice annually. Depending upon the extent of unapproved rice in the U.S. supply and the cost of implementing likely EU and German testing requirements, the U.S. rice market in Germany could be threatened. Press coverage in Germany to the present has been factual, but this could change in coming days. No U.S. rice products have been removed from the market to date; however, initial testing indicates that unapproved rice will likely be found, with product recalls following.

German Reaction: BMELV reaction to the LLRice601 finding so far has been restrained. Officials have expressed appreciation for the information that has been provided and have indicated that they would like to keep the matter contained. There has been no indication that German officials question the safety determination on the rice that the U.S. has made; however, Germany must implement European Commission action since any EU-unapproved rice on the EU market would be illegal.

The USA Rice Federation office in Hamburg, which represents the U.S. rice industry, has been in close contact with U.S. rice importers and millers in Germany. Importers and retailers have not removed U.S. rice products from stores shelves; however, they have implemented testing of products. Initial reports indicate that product recalls will likely be necessary to, at least, some degree. For the time being local millers are understandably reluctant to fill the trade chain with new USA rice products.

National GMO observation programs: Since implementation of the EU labeling regime for genetically engineered foods and feeds in 2004, German food safety authorities have also randomly tested rice for GMO presence. However, such tests have not been at the top of the priority list of the food safety assurance system. Reports of how many rice samples have been tested are not available, not on the Laender level and in particular not on the federal level. In the past, German labs have been testing for the 35S promoter and for the PAT protein. There was no particular search for LLRice601. One German rice miller reports that he has been intensively testing for GMO presence during past several years, luckily unsuccessful. Other rice millers only tested sporadically for GMO presence.

Press: Coverage in Germany thus far has been fairly limited and factual, primarily repeating statements by USDA and the European Commission. However, Greenpeace Germany has a press release claiming that the incident again proves that the technology is not controllable and that the U.S. monitoring system is unreliable. They also complained that U.S. authorities waited for more than two weeks to inform the public and international partners about the incident.

The German Bundstag Parliamentarian Happach-Kasan of the Free Democratic Party, a strong supporter of biotechnology, criticizes the U.S. administration for its two week delay in informing European partner countries about the LLRice601 incident: 'That is too late.' She also complained in a press release about the U.S. information policy stating, "It is obvious that the U.S. does not take Europe seriously, particularly as it relates to the European labeling of GE products."

Any future product recalls will also likely be accompanied by widespread media coverage.

Market: Germany imports about 40,000 metric tons (MT) or \$20 million of U.S. long grain rice annually. Germany's total rice imports are approximately 270,000 MT annually. Spain is the main competitor for United States in the rice market in Germany. Availability of rice from Spain is expected to be somewhat short in coming months due to less favorable growing conditions this year

The USA Rice Federation reports that a vessel with about 10,000 MT of U.S. rice is currently in route to a North Sea port (Antwerp or Rotterdam). It is expected to arrive on Friday. The shipment is destined for a number of customers in several northern European countries, including Germany.