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Nicaragua

Agricultural Biotechnology Report

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Report Highlights:

In May 2011, the Government of Nicaragua (GON) reconvened the National Commission for Risk Analysis of Living Modified Organisms (CONARGEN) and ratified the 034-2005 ministerial resolution which approves the phytosanitary permits for 15 corn biotech events. With the reactivation of CONARGEN, private importers will have now the opportunity to present new risk analysis for the evaluation of new biotech events.

Section I. Executive Summary:

Yellow corn for animal feed is the main biotechnology crop exported from the United States to Nicaragua. In 2010, U.S. corn exports to Nicaragua reached 116,959 M.T. with a total value of U\$ \$ 22,390,000. (ITC, 2011).

In May 2011, the Government of Nicaragua (GON) reconvened the National Commission for Risk Analysis of Living Modified Organisms (CONARGEN) and ratified the 034-2005 ministerial resolution which approves phytosanitary permits for 15 corn biotech events (676,678 and 680, MS3, MS6, BT 176, BT11, CT1507, MON 863, MON 810, T14, T25, DLL25, GA21 and NK603).

With the reactivation of CONARGEN, private importers will now have the opportunity to present new risk analysis for the evaluation of new biotech events. Also, the CONARGEN reactivation will contribute to the application of a science-based regulatory process for the importation of products derived from new technologies, which is one of FAS's strategic goals in the country.

One of Nicaragua's short term prospects in the biotechnology field is the import of Genetically Modified (GM) cotton seeds for planting. In 2011, the Government of Nicaragua along with the private sector (textile industries and private farmers) agreed to develop a pilot project of cotton production, consisting of 2000 hectares. For the first year cotton producers will grow regular seeds but the following years they hope to start cultivating GM seeds to reduce the application of chemicals.

In General, Nicaragua has been implementing the provision of the Cartagena Protocol. It requires notifications of biotechnology products and risk analysis for such imports. Concerning Biotechnology, Nicaragua is in compliance with the WTO agreement.

Section II. Plant Biotechnology Trade and Production:

Nicaragua does not produce any biotechnology crops nor imports any biotechnology seeds for planting. It only imports GM corn for animal feeds. For 2010, Nicaraguan corn imports from the United Sates market reached 116,959 M.T. with a total value of U\$ \$ 22,390,000 (ITC, 2011). The GM corn comes only from the United States market. Imports of other biotechnology products from other countries are limited or nonexistent.

There are 15 officially approved biotech events for corn: 676,678 and 680, MS3, MS6, BT 176, BT11, CT1507, MON 863, MON 810, T14, T25, DLL25, GA21 and NK603. Those events were approved by CONARGEN in 2005, under the NO. 034-2005 ministerial resolution. During the last years, CONARGEN has not approved new biotech events due to its inactivity caused by the lack of interest from the GON.

After many requests from the private sector, the GON, has finally reconvened CONARGEN (Please refer to Appendix A to see list of members). This will give the opportunity to private importers to present new risk analysis for the evaluation of new biotech events.

One of Nicaragua's short term prospects in the biotechnology field is the import of GM cotton seeds for planting. In 2011, the GON along with the private sector (textile industries and private farmers) agreed to

develop a pilot project of cotton production, consisting of 2000 hectares. The main objective of this project is to supply the domestic industry demand. For the first year (2011) cotton farmers will grow regular seeds since the seed supplier companies; Bayer and Monsanto, did not want to sell the GM seeds to producers due to the lack of intellectual property rights (IPR) in the country. However, farmers are very optimistic that in the following years they could start growing GM cotton seeds.

Nicaragua continues to be a large food aid recipient due to its limited capacity to supply food for human and animal consumption. Food insecurity is one of the main factors that hinder Nicaraguan development. Nicaragua has high levels of chronic malnutrition and continues to be dependent on food aid from the U.S. and European Countries.

Section III. Plant Biotechnology Policy:

Nicaragua is a signatory of the Cartagena Protocol. As part of the process to implement the provisions of the Cartagena Protocol, in 2005 the GON began to require notifications of imports of living modified organisms (LMO) and risk analysis for such imports. On April 13, 2010, the National Assembly published in the GON official news paper, La Gaceta, Law 705 on Prevention of Risks from Living Modified Organisms through Molecular Biotechnology. Law 705 became official on July 13, 2010, 90 days after its official publication. However, the application of this law has been very limited due to the absence of its rules. One of CONARGEN's first priorities for 2011 is to publish the rules of the 705 law.

Law 705 supersedes Chapter XVI (of law 291, Basic Law on Animal and Plant Health) on Risk Analysis. Law 705 establishes a comprehensive science based framework for the use of LMOs in confined use, research, release into the environment, commercialization, reproduction, multiplication, evaluation of field production, transportation, transit, importation, exportation, production or importation destined for human or animal consumption or for processing, use for agricultural purposes, bio-medication, conservation, preservation, and other uses linked to biological diversity.

On August 13, 2003 an executive decree was published in La Gaceta requiring risk analysis on Genetically Modified Organisms (GMOs). However, no commission to perform risk analysis was formed until July 23, 2004, when CONARGEN was named and sworn into office by former President Bolaños. The Chief Director of the General Direction for Animal and Plant Health Protection (DGPSA) of the Ministry of Agriculture and Forestry (MAGFOR) serves as president of the eight-member commission. Other members include officials from the Nicaraguan Institute for Agricultural Technology (INTA), the Ministry of Environment and Natural Resources (MARENA), the Ministry of Health, the Ministry of Industry Development and Commerce, the National Autonomous University of Nicaragua in Leon, the National Agrarian University, and the Central American University in Managua (UCA). Various ministries and institutions nominate the members of CONARGEN, who then must be approved by the President. The CONARGEN is attached to MAGFOR through DGPSA, which also provides administrative support.

With the creation of CONARGEN, the legal framework for the import, use and handling of GMO outlined by law 291, basic law of Animal Safety and Plant Health, as implemented by decree 59-2003. Importers of biotechnology products are required to request a risk analysis of an event prior to its importation for the first

time. CONARGEN does not have the technical capability to test if a product is transgenic or not, but it is responsible for reviewing the pertinent information presented by importers for the risk analysis. There are three local laboratories with the technical expertise and equipment that can conduct analysis to test the presence of GMOs. (Central American University, National Autonomous University and Polytechnic University).

After conducting the risk analysis, CONARGEN makes a recommendation to the Minister of Agriculture and Forestry on whether to permit or deny the import of a biotechnology product. The minister makes the final decision. At present, yellow corn for animal feed (events approved in the United States) is the only biotechnology commodity that has been subjected to risk analysis.

Section IV. Plant Biotechnology Marketing Issues:

At present Nicaragua has not developed any agricultural products from animal or plant origin using new technologies. Likewise, public awareness of new/emerging technologies related to food and/or agriculture is limited. As mentioned before, there are only three laboratories nationwide (Central American University, National Autonomous University and Polytechnic University) that perform GMO tests and research.

The Nicaragua market is new to the concept of new technologies. However, there is an interest from the private sector to increase the number of approved biotech events for corn and also to approve cotton biotech events for cultivation. The opposition to biotechnology comes mainly from some anti-new technologies NOGs which are very active in Nicaragua. An example of which is Humdolt Center which is a CONARGEN member and opposes the approval of new biotech events and biotechnology in general.

An important marketing issue is the required GMO (Genetically Modified Organism) testing by the GON on U.S. rice imports. Nicaraguan rice importers must conduct GMO tests on U.S. rice imports even though the rice shipments have a GMO free declaration. The GMO tests are done on rice husk, rice bran, brown rice, golden rice, and non identified particles. All those tests increase the rice importing costs and delay commercialization. Moreover, the GMO traces from corn and soybean residues are often detected. FAS has informed the General Directorate for Food Safety and Inspection (DGPSA), that the U.S. rice exported to Nicaragua is GMO free as stated on each vessel's declaration. However, the GMO tests on rice have continued to be a requirement for Nicaraguan rice importers. For some rice importers this requirement adopted by the GON is a means of collecting revenue.

Section V. Plant Biotechnology Capacity Building and Outreach:

In June 2008, a Nicaraguan professor from the National Autonomous University from Managua was selected to participate in a faculty Exchange Program sponsored by USDA. The professor travelled to Texas A & M University to conduct a research on different applications of biotechnology, attended classes and developed other skills with Texas A & M professors. Upon his return, the professor shared skills and knowledge among Nicaraguan Faculty members, colleagues, students and with Inbion members. The goal is to allow others to benefit from the different techniques concerning the application of agricultural biotechnology to improve production of staple products with limited supplies including fertilizers and herbicides in areas prone to drought or soil with low fertility.

On April 26, 2009, the Public Affairs Office in the U.S. Embassy in Managua invited Dr. Peter Gregory through the State Department funded speaker program to speak to a wide range of audiences about agricultural applications of biotechnology to improve the agricultural production of staple products with limited inputs, and learned lessons about successful applications of trading biotechnology products while maintaining the genetic constitution of native flora.

During August 22nd and 23rd of 2011, FAS/Nicaragua and State Department invited Dr. Wayne Parrott to participate in another Speaker Program. The speaker conducted an open dialogue with CONARGEN members and also spoke to a wide range of audiences about the Cartagena Protocol on Bio-safety, agricultural applications of biotechnology and learned lessons about successful applications of trading biotechnology products.

Appendix A

CONARGEM'S LIST OF MEMBERS, 2011

Institution	Representatives
Ministry of Health	Alberto Montoya Perez
	Angel Lazaro Balmaseda
	Hechavarria
Ministry of Agriculture and Forestry	Manuel Antonio Gutierrez
	Hurtado
	Jorge Indalecio Garcia Centeno
Ministry of Environment	Roberto Abraham Araquistain
	Cisneros
	Ediberto Duarte Lopez
Institute of Agricultural Technology	Jose Miguel Obando Espinoza
	Aldo Francisco Rojas
National Autonomous University of Leon	Enilda Catalina Cano
	Maria Veonica Diaz
National University of Engineering	Onel Domingo Morales
	Denis Escorcia
Central American University	Jorge Alberto Huete
	Julio Antonio Gomez
National Agrarian University	Guillermo del Carmen Reyes
	Maria Carolina Vega
Humboldt Center in representation of the civil Society.	Julio Hector Sanchez
	Tania Vanegas
Nicaraguan National Association of Poultry (ANAPA) in	Donald Marting Tuckler

representation of the private sector. Alfredo Velez

Source: Nicaraguan Official Gazette, 2011.