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Global Agricultural Information Network

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Iceland Says Cheerio to GM Ingredients

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Report Highlights:

The Minister of Fisheries and Agriculture Jon Bjarnason implemented a new regulation which will require the labeling of food containing Genetically Modified Organisms (GMOs) as of January 1, 2012. The regulation, as written, could adversely impact almost 31% of U.S. agricultural exports to Iceland valued at \$16.5 million in 2010.

General Information:

The Minister of Fisheries and Agriculture Jon Bjarnason implemented a new regulation which will require the labeling of food containing Genetically Modified Organisms (GMOs) as of January 1, 2012. The regulation, as written, could adversely impact up to 31% of U.S. agricultural exports to Iceland valued at \$16.5 million in 2010.

The new GMO regulation was originally enacted in December 2011 and established an effective date of September 1, 2011 for food and feed that has been pushed back to January 1, 2012 for food. The regulation contains provisions from EU, Norwegian and Icelandic law, though Icelandic officials note that the scope is not as broad as the EU regulations. Nevertheless, Iceland's regulation will require any product from which more than 0.9 percent is produced from GMOs to be labeled, contrary to the position of the U.S. food industry. It will also require manufacturers to maintain traceability records for five years. USG officials have informed the Iceland that the regulation is, in essence, a *de facto* ban on U.S. products containing GM ingredients. Products that have been on Iceland's shelves for over 50 years could face removal from the market due to the regulation. The regulation most likely resulted from years of pressure from the Consumer's Association and has strong support from one of the two governing coalition political parties. The text of the regulation follows:

REGULATION

on the labeling and traceability of genetically modified food and feed

Article I*Scope*

This Regulation concerns the labeling and traceability of genetically modified food and feed as defined in Article 3 of the Regulation.

Thus, the Regulation shall apply to food and feed that:

is a genetically modified organism or that consists of or contains genetically modified organisms; or is produced from genetically modified organisms or contains ingredients that are produced from genetically modified organisms, where the genetically modified substance is not present in the finished product.

The Regulation shall not apply to food and feed:

a. containing material which is produced from genetically modified organisms in a proportion no higher than 0.9 per cent of the food ingredients considered individually or of the total ingredients, provided that it can be demonstrated that this presence is due to adventitious contamination during transport or is technically unavoidable;

produced with the help of genetically modified organisms or products thereof, such as enzymes, in cases where substances originating in the genetically modified organism are not present in the finished product.

Where animals are fed genetically modified feed, this does not cause products from those animals to be considered genetically modified.

Article 2*Aim*

The aim of this Regulation is to ensure that consumers receive correct and detailed information about genetically modified food that is offered for sale, advertised or promoted in any other way. The aim of the Regulation is also to ensure that those who buy feed receive correct and detailed information about genetically modified feed that is offered for sale, advertised or promoted in any other way.

Article 3

Definitions

'Distribution' means any transport, supply or transfer, including import, export and sale. The definition also covers storage and other operations linked to distribution.

'Genetically modified organism' means an organism in which the genetic material has been altered in a way that does not occur naturally by mating and/or natural recombination.

'Genetically modified food' means food that contains or consists of genetically modified organisms or that is produced from or contains ingredients that are produced from genetically modified organisms.

'Genetically modified feed' means feed that contains or consists of genetically modified organisms or that is produced from or contains ingredients that are produced from genetically modified organisms.

'Feed' means any substance or product, including additives, whether processed, partially processed or unprocessed, intended to be used for oral feeding to animals. The term includes products made from fish or fish waste.

'Feed business' means any undertaking or person carrying out any operation of production, manufacture, processing, storage, transport or distribution of feed, including any producer producing, processing or storing feed for feeding to animals on his own holding, whether the business is operated for profit or not and whether it is a public or private enterprise.

'Ingredient' means any raw material, additive or other substance used in the manufacture of a foodstuff and still present in the finished product, even if in altered form. Where an ingredient of the foodstuff is itself the product of several ingredients, the latter shall be regarded as ingredients of the foodstuff in question.

'Placing on the market' means the holding of food for the purpose of sale, including offering for sale or any other form of transfer, whether free of charge or not, and the sale, distribution, and other forms of transfer themselves.

'Food' or 'foodstuff' means any substance or product, whether processed, partially processed or unprocessed, intended to be, or reasonably expected to be ingested by humans. The term includes drink, chewing gum and any substance, including water, intentionally incorporated into the food during its manufacture, preparation or treatment, as well as food supplements.

'Food business' means any undertaking or person carrying out an activity related to any stage of production, processing and distribution of food, whether the business is operated for profit or not and whether it is a public or a private enterprise.

'Final consumer' means anyone who will not use the food as part of any food business operation or activity.

'Traceability' means the ability to trace and follow a food, food-producing animal or substance intended to be, or expected to be incorporated into or used in contact with, a food, through all stages of production, processing and distribution.

'Operator' means a natural or legal person who places a product on the market or who receives a product that has been placed on the market in the EEA, either from an EEA State or from a third

country, at any stage of the production and distribution chain, but who is not the final consumer.

Article 4

Labeling of genetically modified food

In addition to complying with the provisions of the Food Labeling Regulation, genetically modified foods covered by this Regulation shall meet the following conditions:

where the foods are genetically modified organisms, the words 'genetically modified' must appear in parentheses immediately following the brand name;

b. where the food consists of more than one ingredient, the words 'genetically modified' or 'produced from genetically modified (name of the ingredient)' shall appear in the list of ingredients in parentheses immediately following the ingredient concerned;

where the ingredient is designated by the name of a category, the words 'contains genetically modified (name of organism)' or 'contains (name of ingredient) produced from genetically modified (name of organism)' shall appear in the list of ingredients;

where no list of ingredients is needed, the words 'genetically modified' or 'produced from genetically modified (name of organism)' shall appear on the labeling;

e. the indications referred to in points (a) and (b) may appear in a footnote to the list of ingredients. In this case they shall be printed in a font of at least the same size as the list of ingredients. Where no list of ingredients is needed, they shall appear clearly on the labeling;

where the food is offered for sale as non-pre-packaged food, or in small containers of which the largest surface has an area of less than 10 cm², the information required under this Article must be permanently and visibly displayed either on the food display or immediately next to it, on the packaging material, in a font sufficiently large for it to be easily read.

Where a food business has failed to fulfill the requirements of this Regulation on the labeling of genetically modified food, the distributor may label the foodstuffs in question according to the provisions of the Regulation, provided that the food business has submitted a confirmation of the ingredients of the food.

Article 5

Labeling genetically modified feed

In addition to complying with the provisions of the Feed Labeling Regulation, genetically modified feed covered by this Regulation shall meet the following conditions:

a. for feeds consisting of or containing genetically modified organisms, the words 'genetically modified (name of the organism)' shall appear in parentheses immediately following the specific name of the feed;

for feed produced from genetically modified organisms, or containing ingredients produced from genetically modified organisms, the words 'produced from genetically modified (name of the organism)' shall appear in parentheses immediately following the specific name of the feed;

c. the indications referred to in points (a) and (b) may appear in a footnote to the list of ingredients. In this case they shall be printed in a font of at least the same size as the list of ingredients of the feed or premix. Where no list of ingredients is needed, they shall appear clearly on the labeling; where the feed is distributed in bulk, the information required under this Article must be permanently and visibly displayed in the accompanying documents.

Where a feed business has failed to fulfill the requirements of this Regulation on the labeling of genetically modified feed, the distributor may label the feed in question according to the provisions

of the Regulation, provided that the feed business has submitted a confirmation of the ingredients of the feed.

Article 6

Traceability of products consisting of or containing genetically modified organisms

At the first stage of the placing on the market of a product consisting of or containing genetically modified organisms, including bulk quantities, operators shall ensure that information that the product consists of or contains genetically modified organisms is transmitted in writing to the operator receiving the product.

At all subsequent stages of the placing on the market of the product referred to in the previous paragraph, operators shall ensure that the information received in accordance with that paragraph is transmitted in writing to the operators receiving the products.

Without prejudice to Article 8, operators shall have in place systems and standardized procedures to allow the holding of information specified in the first and second paragraphs, and the identification, for a period of five years from each transaction, of the operator by whom and the operator to whom the products referred to in the first paragraph have been made available.

Article 7

Traceability of products for food and feed produced from genetically modified organisms

When placing products produced from genetically modified organisms on the market, operators shall ensure that the following information is transmitted in writing to the operator receiving the product:

an indication of each of the food ingredients which is produced from genetically modified organisms;

an indication of each of the feed materials or additives which is produced from genetically modified organisms;

in the case of products for which no list of ingredients exists, an indication that the product is produced from genetically modified organisms.

Without prejudice to Article 8, operators shall have in place systems and standardized procedures to allow the holding of information specified in the first paragraph, and the identification, for a period of five years from each transaction, of the operator by whom and the operator to whom the products referred to in the first paragraph have been made available.

The provisions of the first and second paragraphs shall not apply to traces of genetically modified organisms in products for food and feed produced from genetically modified organisms in a proportion no higher than the thresholds established for those genetically modified organisms in accordance with Article I of the Regulation, provided that these traces of genetically modified organisms are adventitious or technically unavoidable.

Article 8

Exemptions

In cases where legislation provides for specific identification systems, such as lot numbering for prepackaged products, operators shall not be obliged to hold the information specified in Article 6, first and second paragraphs, and Article 7, first paragraph, provided that this information and the lot number are clearly marked on the package and that information about lot numbers is held for the periods of time referred to in Article 6, third paragraph, and Article 7, second paragraph.

The provisions of the first paragraph shall not apply to the first stage of placing on the market of a

product or to primary manufacture or repackaging of a product.

Article 9

Obligations of food and feed businesses

Food businesses shall label genetically modified food according to the provisions of Article 4; feed businesses shall label genetically modified feed according to the provisions of Article 5. For the obligations of food and feed businesses in relation to traceability requirements, see Articles 6, 7 and 8. Pursuant to Article I, second paragraph, point (b), food and feed produced from or containing genetically modified organisms or containing ingredients that are produced from genetically modified organisms shall be labeled as genetically modified, even when neither DNA nor protein resulting from the genetic modification is present in the finished product.

Where there is reasonable suspicion that food or feed not labeled according to this Regulation contains genetically modified organisms or is produced from genetically modified organisms, the food or feed business concerned shall provide evidence that neither the food nor the feed contains or is produced from genetically modified organisms. Thus, the food or feed business shall submit either documents pertaining to the production process or analytical results that prove that neither the food nor the feed contains or is produced from genetically modified organisms.

Food and feed businesses shall bear the cost of any monitoring activity carried out according to this Regulation, including the analysis of samples pursuant to Article 2.

In order to demonstrate that the presence of genetically modified substances is indeed the result of adventitious contamination during transport or is technically unavoidable, food and feed businesses shall submit evidence that they have taken the appropriate measures to prevent such an incidence.

Article 10

Monitoring

Local health inspection authorities shall monitor the implementation of the provisions of this Regulation as regards genetically modified food, under the supervision of the Food and Veterinary Authority.

The Food and Veterinary Authority shall monitor the implementation of the provisions of this Regulation as regards genetically modified feed.

When the content of food and feed needs to be verified, the Food and Veterinary Authority shall ensure that analyses are carried out. The Food and Veterinary Authority shall harmonize the monitoring of genetically modified food to ensure that it is implemented in a uniform way throughout the country, cf. Article 22, seventh paragraph, of the Foodstuffs Act, No 93/1995.

Article II

Coercive measures and penalties

Infringements of the provisions of this Regulation shall be dealt with according to Articles 30, 30a to 30e, and 31 of the Foodstuffs Act, No 93/1995, as amended, and Articles 9 and 9a to 9e of the Feed, Fertilizer and Seed Control Act, No 22/1994, as amended.

Article 12

Entry into force

This Regulation is adopted pursuant to the provisions of Article 31 a of the Foodstuffs Act, No 93/1995, as amended, and Article 7 of the Feed, Fertilizer and Seed Control Act, No 22/1994, as amended. The Regulation shall enter into force on I September 20 II.

Transitional provision

Notwithstanding the provisions of Article 9, third paragraph, the Food and Veterinary Authority shall bear 50 per cent of the cost of analyzing samples submitted during the period 2011-2013.

Ministry of Fisheries and Agriculture, 14 December 2010. Jon Bjarnason