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Trade Policy Monitoring New Greek Minister of Agriculture Discusses Seed Testing

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Report Highlights:

The US Ambassador to Greece met with the brand new Greek Minister of Agriculture, E. Basiakos, to discuss seed imports. New testing protocols for adventitious presence of biotech events in conventional cotton and corn seed for planting were introduced under the previous minister, and have damaged trade.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
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[GR]

On October 14, 2004 US Ambassador Tom Miller, FAS Athens and Embassy officials met with the new Greek Minister of Agricultural Development, E. Basiakos, to discuss Greek imports of planting seeds. Aware that the U.S. seed industry is poised to certify, package and export conventional corn and cottonseed to Greece in the upcoming weeks, this meeting was held to discuss disruptive changes that have been introduced into Greek testing of imported seed for adventitious presence of biotech material, and the type of testing requirements that can be expected from the Government of Greece (please see GR 4014 on adventitious presence in seeds for planting, and GR 4024 on the unexpected resignation of former Minister of Agriculture Tsitouridis and for more background on the Greek Ministry of Agriculture's leadership). The Ag Affairs Office has met with each of the last three Ag Ministers to discuss seed testing, and the ambassador with the last two.

Minister Basiakos understood the importance of the seed issue and spent two hours with Ambassador Miller. The ministry's Secretary General for Policy and the Secretary General for Crop Production and Inputs attended with him. Minister Basiakos plans to focus his administration on CAP reform, particularly for the tobacco, cotton, and olive oil sectors. He characterized his goal as keeping farmers viable and occupied on their farms. He also expressed concern that the Fourth EU Support Program will exclude some Greek regions from receiving EU support.

The discussion opened with some history of the seed import protocol: The New Democracy Government, which took office in March 2004, inherited the former GOG's Ministerial Decision No.332657/02.19.2001 (herein called MD 2001) which defined the level of adventitious presence (AP) in conventional cotton seeds for planting as "non present", and a 0.5 percent tolerance level for corn seeds. The MD2001 was overly strict, but was made pragmatic when combined with a reasonable testing protocol; absent the latter, problems ensued. In the spring of 2004 the new GOG intensified testing for AP, affecting sales of imported cotton and corn seeds. Thus, while MD2001 remained the legal vehicle, the New Democracy Government Minister of Agriculture's interpretation of "non presence" in 2004, resulted in very restrictive import conditions. MinAg increased the testing sample size and increased the incidence of testing with the consequence of positive findings for biotech content in 75% of the seed lots tested (as compared with less than 10 percent under the previous interpretation). Lab procedures were questioned by and inaccessible to the companies affected. According to our sources, the labs used were not accredited by ISTA, the International Seed Testing Association. With a sample size increased from 300 to 1,000 seeds, companies are concerned about false positives, as well as escalating costs.

Ambassador Miller asked Minister Basiakos whether he intended to use the same trade-unfriendly testing protocol in 2005 that had been initiated by his predecessor in 2004. The ambassador pointed out the great advantages to farmers of using quality genetics, and that restrictive policies on imported seed deprive Greek farmers of competitive advantages.

Minister Basiakos and the Secretary General for Ag Policy avowed that no negative change to MD2001, vis-à-vis US seed trade, will be taken. However, Ag Inputs Secretary General Alifakiotis added that Greek laboratories have requested that MinAg seek to impose its stricter testing protocol on seed traders. This comment confirmed FAS Athens' suspicion that, indeed, a new testing protocol, with unrealistic seed sample lots of 1000 seeds, had been under discussion in the Ministry under the previous minister. All three MinAg officials insisted that MD2001 will not be amended to make it more trade-restrictive.

US seed companies have confirmed to AgAthens that restrictive changes in testing procedure and certificate wording will discourage US companies from selling seed to Greece in 2005. For Greek field crops, U.S. genetics account for 60 percent of the total planted seed, annually at a value estimated at over \$25 million (retail price basis).

Emboffs concluded the meeting with the minister by emphasizing that by the Ministry of Agriculture making its decision on testing protocols well in advance of the seed import season, and by being clear on AP tolerances, whether these are "non presence" with acceptable technical limits, or 0.5 percent, cotton quality seeds will flow to farmers, without obstructions. In the absence of firm plans and a scientifically based protocol, the issue becomes vulnerable to political forces and media playing to an anti-GM public.

The Minister assured the Ambassador that there is no reason for undue concern over the seed trade. Post will continue monitoring developments as US seed enters Greece for the 2005 planting season.