



15th February 2010

Andrew Opie Esq
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British Retail Consortium
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By Email to: andrew.opie@brc.org.uk

Dear Andrew

GM and Retailer Policy

Members of the BEIC, AIC and NFU are concerned about the current sourcing policy of excluding GM soyabean meal from diets for laying hens and believe that it is not sustainable.

In the major soyabean producing countries of USA and Argentina the use of GM soya is over 90% of the crop, with very little non-GM material segregated.

In Brazil the crop currently being planted is estimated to be 65-70% GM, though this will not be totally established until harvest. In March 2009, the Brazilian market research company Celeres estimated the share of genetically modified varieties for the crop harvested early 2009 at 60 - 65% compared with 54 - 63% in 2008 marketing year and 35 - 41% in 2006.

Brazil this year is also expected to start growing GM varieties of maize.

The growth of GM usage has two major effects. The availability of non-GM soyabean meal reduces, and the risk of cross contamination increases. The latter is not helped by the changing infrastructure in Brazil which opens up the previously more isolated area of non-GM soya crops.

The reduction in availability means the use of non-GM has to be rationed. This can be seen today in that the premium for non-GM soyabean meal for February/April collection is £34 per tonne. When non-GM soyabean meal was first segregated the premium was £4 per tonne. With the increase in GM plantings the premium in a year's time will be much higher. At the moment shippers will not offer non-GM soyabean that far forward, only for the summer months following the Brazilian harvest.

Please reply to:

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Non-GM soyabean meal will be available, but in lower quantities, at unknown price premiums and may at times, as has been demonstrated, be unavailable due to logistical issues.

The livestock industry needs to plan forward sourcing policies with the long supply chains that are required and will find it difficult to operate effectively with this high level of uncertainty.

For example, a difficult situation exists at the moment with lack of offers in the spot position for supply of non-GM soyabean meal. Shipments are running late and shippers have been buying back in the market causing the price of non-GM soyabean to increase to even greater premiums, and supply is not secure.

The other major effect of the growth of GM planting is the increased level of positive tests found in non-GM soya beans.

This contamination can potentially happen at any point in the long supply chain. In Brazil with 70% of the soya crop GM, the chance of adventitiously contaminating the 30% non-GM is much higher than a few years ago when GM only represented 30% of the crop.

Our members are increasingly reporting positive GM results on non-GM soya containing feeds when only testing for Roundup Ready soya – many at levels above the threshold of 0.9%. This is coming, for example, from raw materials testing positive due to analytical variation, and from false positives triggered by the inclusion of other raw materials such as rapeseed meal.

This leads us to also conclude that, despite our best intentions and changing labelling wherever possible, we may already not be truly providing feed containing non-GM bulk soya meal to our livestock. This, we are sure, will become a greater problem in the future.

In Europe, the Belgian feed industry has already stopped supplying non-GM feeds to its customers due to concerns about not being able to supply customers' requirements in terms of GM status.

The industry in the UK along with colleagues on the Continent, are focusing attention on purchasing soya from sustainable sources. AIC along with FEFAC and soya producers are developing a Round Table on Sustainable Soya. Purchasing soya that comes from a sustainable source and that is produced to agreed protocols is viewed as an ever increasingly important issue going forward.

It should also be noted that there are no food safety implications from eating eggs laid by hens fed on a diet incorporating GM ingredients. The Food Standards Agency states that research to date has failed to demonstrate any discernible occurrence of functional transgenes from GM-derived feed material being incorporated into livestock products for human consumption (milk, meat and eggs). The FSA confirms that food from animals fed on GM crops is therefore considered to be as safe as food from animals fed on non-GM crops. In addition, the European Food Safety Authority (EFSA) has also recently advised that a large number of experimental studies with livestock have shown that neither recombinant DNA fragments nor proteins derived

from GM plants have been detected in tissues, fluids or edible products of farm animals like poultry, cattle or pigs.

With the exception of a few retailers, procurement specification for the other livestock sectors allows the use of GM soyabean meal within feed. Therefore we are confident this is not an issue your members' customers will react adversely to.

In conclusion, our members are finding it increasingly difficult and expensive to maintain the inclusion of non-GM soya in feed, and we therefore urge your respective members to reconsider their current procurement policies.

We would welcome the opportunity to discuss the issue with you in more detail.

Yours sincerely,



Mark Williams
Chief Executive, BEIC
(*electronic signature*)



Charles Bourns
Chairman, Poultry Board
(*electronic signature*)



David Caffell
Chief Executive, AIC
(*electronic signature*)