



INTERNATIONAL GRAIN TRADE COALITION

ANIAME

APPAMEX

Associação
Nacional dos
Exportadores de
Cereais

Associação
Brasileira das
Indústrias de
Óleos Vegetais

AWB Limited

Canada Grains
Council

Centro de
Exportadores
de Cereais

COCERAL

Grain and Feed
Trade Association

Hungarian
Grain and Feed
Association

National
Agricultural
Commodities
Marketing
Association

National
Grain and Feed
Association

October 13, 2005

Notice to Trade # 5

The Government of Mexico has announced that on October 15, 2005 it will begin a Case Study designed to illustrate that the “may contain” provisions contained in the United States / Mexico / Canada Trilateral Arrangement triggers a process to ensure that the living modified organisms imported into Mexico for use as food, or feed or for processing (LMOS-FFP) are indeed used for food, feed or for processing and are therefore of no risk to the environment.

The provisions of the Trilateral Arrangement were provided in the International Grain Trade Coalition’s (IGTC) Notice to Trade # 2, the highlights of which are attached. The Mexican Government has prepared an Addendum to the Trilateral Arrangement extending its terms to 1 December 2006.

The IGTC was formed in June 2001 and today involves 20 organizations involving more than 2500 members operating in more than 80 countries.

While the Case Study is voluntary and focuses on imports of yellow corn for a period of three months, IGTC urges all exporters to place the Cartagena Protocol Provision contained below on the invoice of all LMO shipments to Mexico.

Cartagena Biosafety Protocol Provision: This shipment may contain living modified organisms intended for direct use as food or feed, or for processing, that are not intended for intentional introduction into the environment.”

The Mexican Government developed the terms of the Case Study in consultation with industry. When Mexican Government import officials see the “may contain” provision on an invoice on or after 15 October 2005, they will process the GMO identification into an import data base file and then the Mexican importers are requested to provide quarterly information through an end use form to the Government, which in turn will confirm that the transboundary movement of LMOs is being used for food, or feed or for processing, and is not being intentionally introduced into the environment.

North American
Export Grain
Association

National
Corn Growers
Association

Russian Grain
Federation

Solvent Extractors’
Association
of India

Soybean
Processors
Association
of India

US Grains Council

US Wheat
Associates

Wheat Export
Trade Education
Committee

The Mexican Government hopes to use the information obtained through the Case Study at COP/MOP-3 (to be held 13-17 March 2005 in Brazil) to show other countries that the “may contain” language contained in the Trilateral Arrangement is sufficient to ensure that the country’s biodiversity is being protected and that more detailed documentation requirements are not required, complying in all cases with the Biosafety Protocol current provisions.

The IGTC has agreed to encourage industry to support the Mexican Government’s request for voluntary participation by industry in the Case Study. The IGTC shares the Mexican Government’s desire to use the Trilateral Arrangement as a model for other countries to follow and to prove that more detailed specific event documentation is not required to protect a country’s biodiversity. The “may contain” provision on the invoice is sufficient and is relatively inexpensive to implement.

Agreement by exporters and importers to participate in the Case Study voluntarily is therefore much appreciated. As confirmed in recent economic impact studies, the costs associated with more detailed shipping documentation requirements are significant and should be avoided.

The text of the Trilateral Arrangement is as follows:

United States / Mexico / Canada Trilateral Arrangement

Documentation Requirements for Living Modified Organisms for Food or Feed, or for Processing (LMO/FFP’s)

The purpose of this document is to articulate an understanding among the United States, Canada, and Mexico, hereinafter also referred to as the “Participants,” with respect to the documentation requirements of the Cartagena Protocol on Biosafety (CPB) pertaining to living modified organisms intended for direct use as food or feed, or for processing (LMO/FFP’s). Specifically, the objective of this arrangement is to clarify documentation requirements such that they fulfill the objectives of the CPB without unnecessarily disrupting commodity trade.

The United States and Canada are not Parties to the CPB at this time. However, Article 24 states that transboundary movements of living modified organisms between Parties and non-Parties shall be consistent with the objectives of the CPB, and that Parties and non-Parties may enter into arrangements, such as this, regarding such transboundary movements. This arrangement also meets the requirements in Article 14 of the CPB to accommodate the eventuality of either the United States or Canada becoming a Party to the CPB.

Article 18.2(a) of the CPB states:

“Each Party shall take measures to require that documentation accompanying living modified organisms that are intended for direct use as food or feed, or for processing, clearly identifies that they “may contain” living modified organisms and are not intended for intentional introduction into the environment, as well as a contact point for further information.

“The Conference of the Parties serving as the meeting of the Parties to this Protocol shall take a decision on the detailed requirements for this purpose, including specification of their identity and any unique identification, no later than two years after the date of entry into force of this Protocol.”

Article 18.2(a) of the CPB will be implemented as follows:

1. The “may contain” language, when included as per section 4 below, should appear on the commercial invoice as provided by the exporter. The importer is responsible for receiving the invoice and maintaining it after entry.

2. The “may contain” language, when included, should state:

“Cartagena Biosafety Protocol Provision: This shipment may contain living modified organisms intended for direct use as food or feed, or for processing, that are not intended for intentional introduction into the environment.”

3. The last exporter prior to the transboundary movement and the first importer after the transboundary movement are to be named on the invoice and are the contact points for further information.

4. Applicability:

a. The “may contain” documentation will be used for all transboundary movements of commodities intended for food or feed, or for processing, where an LMO of that commodity species is authorized¹ in, or sold from, a country of export, except:

- (i) Shipments for which the exporting country does not have in commerce any LMO of that species; or
- (ii) When the exporter and importer have contractually defined a “non-LMO shipment;” provided, that such a shipment achieves a minimum of 95 percent non-LMO content, and that such definition does not conflict with regulations of the importing country.

b. Adventitious presence of LMOs in a non-LMO shipment should not be considered a trigger for the “may contain” documentation.

Mexico (as a Party), Canada and the United States (currently as non-Parties) affirm that exporters and importers trading commodities with documentation according to these provisions have fulfilled both the objectives and the current requirements of Article 18.2(a) of the CPB.

The Participants hereby intend to maintain a continuous exchange of scientific information and to address issues on agricultural biotechnology that may arise among the three nations utilizing the expertise of scientific personnel. The Participants will elaborate on the subjects and mechanisms for information exchange.

¹ Approved for unconfined release (Canada), deregulated (United States), or approved (Mexico), noting that the Biosafety Clearing House is an important reference tool.

This arrangement does not affect a Participant's decision on the import of LMO/FFPs under its domestic regulatory framework or according to a risk assessment, pursuant to Article 11 of the CPB.

Whenever in the judgment of a Participant issues of concern arise that would require further consultation on the interpretation or implementation of this document, including relevant decisions of the Meeting of Parties to the CPB, the Participants may jointly decide to make the necessary modifications and/or updates.

This document will have effect for a period of two years, starting at the date of its signature. It can remain in effect beyond two years with mutual consent of all Participants.

Participant Signatures:

SIGNED

Date: OCTOBER 29, 2003

Victor Manuel Villalobos Arámbula
Coordinator of International Affairs
Office of the Secretary
Secretary of Agriculture, Livestock, Rural Development, Fisheries and Food of Mexico
(SAGARPA)

SIGNED

Date: October 23, 2003

J.B. Penn
Under Secretary
Farm and Foreign Agricultural Services
U.S. Department of Agriculture

SIGNED

Date: OCTOBER 20, 2003

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