

GMO-free products: The situation on the European food and feed markets

Gentechnikfreie Produkte: Die Lage auf dem europäischen Lebensmittel- und Futtermittelmarkt

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~~Food~~ & Democracy

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Impression is “so-so” while the actual status is promising



- **GM-free corn** (= maize) for compound feed comes from within the **EU**, some from **Brazil** (but problematic: corn gluten meal)
- “Local” protein sources (e.g., **rapeseed**, **lupines**) are available GM-free
- Not to forget: **GRASS!** (Campina)
- GM-free **soy meal** is abundant if structured demand is communicated



“Scare” issues



- Commodity & feed industries: EU must soon **approve new GM varieties & raise thresholds** from 0% to 0.5%
- Otherwise **feed prices “will rise by 600%”**
- **Ulterior motives** behind these concerns:
 - Maintain **flexibility in purchasing & quality** management
 - Keep doors open also for **North American & Argentine imports**



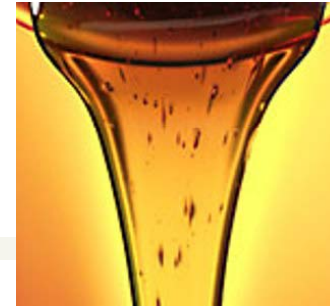


Parallelogram of market forces

- Important: **Most** of the **soy** and **maize (= corn)** crop end up in **animal feed**
- Particularly soy: **75%** of a **soybean** ends up as **soy meal^{*)}** → animal feed
- **Economic power** is therefore with soy & maize as **main protein carriers**
- Their nearly **ubiquitous presence** makes them determine the “**GM fate**” of food

^{*)} Plus soy oil in animal feed

[Parallelogram ... (2)]



Soy lecithin: Example of food ingredients determined by animal feed (soy meal)

- Makes up **only 0.5 to 1.0%** of a soybean
- Quite expensive, but still totally **dependent on** GM status of **soy meal** produced with it
- More than **50% of all soy lecithin** used in **Europe** is from **conventional** (GM-free) beans
- Almost all **EU-made chocolate** uses **GM-free lecithin** – so what about animal feed???



Today's crucial focus: soy

- Significant volumes of GM-free **maize** are still produced in the **EU & many other countries**
- GM-free **soybeans** supplied essentially **only by three countries**:
 - Brazil
 - India
 - China
- So far, **only Brazil** has exported **larger volumes** of GM-free soy meal to Europe





Country focus: Brazil

- Total **soybean** crop 2009: 60 million MT
- Percentage of **conventional crop**: 45%
(nearly unchanged over 2008!)
- **GM-free bean** volume at crop: 27 million MT
 - But **only 10 million MT** end up in **IP systems**
 - Of which **only 6.3 million MT** are **certified** (2008)
- **Volume** after conversion (crushing) to **soy meal**: 4.75 million MT



Global supply potential



- **Supply potential of GM-free soybeans:**
 - Brazil: 27 million MT (2009)
 - India: 10 million MT
 - China: growing volume earmarked for export
- **After conversion to soy meal:**
 - Brazil: approx. 20 million MT
 - India: 7.5 million MT
- **Prerequisite: Keeping crop purity through immediate introduction into IP system(s)**



Conclusions for GMO-free EU

- Any reasonable demand for GM-free soy meal can be covered
- How?
 - Of the 27 million MT of soy only 10 million in IP
 - Yet, out of this, **6.3 million MT are certified**
- Soon after harvest, the **remainder** is comingled and **contaminated** with GM beans **for lack of demand!**

[EU determines own GM future]



We have learnt:

- A higher European demand causes more soybeans to be handled within IP systems

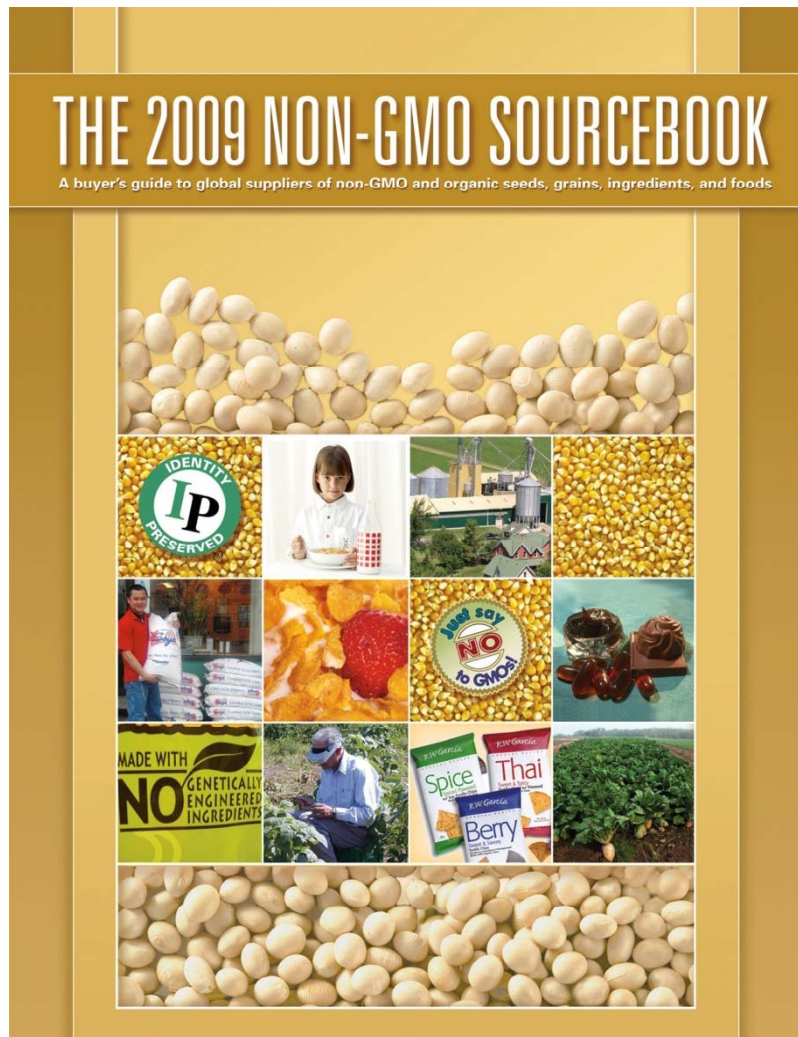
But – in order to work and do its job:

- Demand must be communicated
- It must be clearly specified
- It must originate from the right sources





Good insider sourcing info ...



The 2009 Non-GMO Sourcebook

and

The Organic and Non-GMO Report



www.non-gmoreport.org

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Thank you very much ...



... for your attention!

And for more information...



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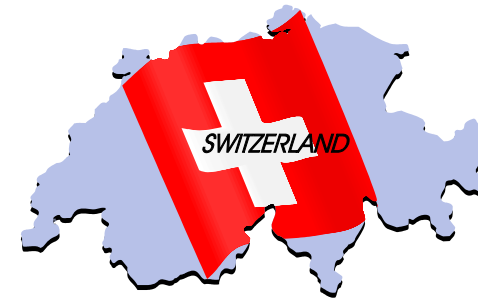
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