



Business and Industry Advisory Committee to the OECD

Comité Consultatif Economique et Industriel Auprès de l'OCDE

---

## **BIAC Background Paper to November 20 OECD Consultation with NGOs on Biotechnology**

---

The Business and Industry Advisory Committee to the OECD (BIAC) is pleased to present the following comments to the OECD's NGO Conference. This Conference provides a useful opportunity to learn more about OECD initiatives that relate to biotechnology, and to consider how these initiatives can mesh with other germane inter-governmental discussions, by airing stakeholder opinions on the issues, procedural inter-linkages and opportunities for cooperation.

Biotechnology offers numerous benefits, directly and through economic growth and job creation, to both OECD Member and non-Member economies. The OECD's long history of developing science-based consensus approaches to risk assessment and risk management should be recognized as a foundation that permits countries to derive these benefits sustainably. BIAC, constituted in March 1962 as an independent organisation officially recognised by the OECD as being representative of business and industry, looks forward to continuing to provide the OECD and its Member Governments with constructive comments based on the practical experience of the business community in the area of biotechnology. BIAC continues to support the OECD's activities across relevant Directorates to facilitate further discussion, debate, and consensus on these issues, and stands ready to partner with the OECD in its further work.

### **Benefits of Biotechnology**

Biotechnology is the result of increased knowledge and research of biological systems, and has demonstrated benefits in medical, pharmaceutical, environmental, agricultural sectors as well as animal health. In the pipeline are products that can help address famine, improve human health, and reduce the environmental impact of agricultural production techniques; yet the current climate of distrust fueled by poor communication threatens to stifle this potential, even for products where the benefits are clear, and the risks are few.

In addition to societal benefits, this new field has powered economic growth and development, which will help provide the prosperity necessary to achieve sustainable development. The global market for transgenic crops, for example, has grown rapidly from 1995 to 1999. Sales, estimated in 1995 at \$75 million are expected to reach \$2.1 to \$2.3 billion in 1999. This growth has fueled job creation as well, with over 1150 firms created in Europe and 2000-plus firms created in the U.S. to explore and take advantage of this new field. Similar promise can be expected in other OECD countries and non-Member economies alike.

## **Biotechnology and Environmental Impact**

Biotechnology can provide many environment-friendly benefits. For example, environmental biotechnology can efficiently remediate certain hazardous wastes and can greatly reduce our dependence on methods of waste cleanup like incineration or dumping. Strides in agricultural biotechnology techniques, gained over centuries of experience, have and will continue to improve plants and animals to produce better nutrition, flavor and yield.

Most OECD member countries have, or are in the process of developing, risk management programs for modern biotechnology products that are intended for release into the environment. Consistent with much of the work that has already been done by the OECD's technical committees, the OECD's examination of the potential environmental impacts relating to biotechnology should focus on the products themselves, rather than the process by which they were manufactured. Thus, it is not scientifically sound to assume that products produced through biotechnology are, for that reason, more dangerous than those produced through other techniques. All products can have some environmental impact. In the case of biotechnology products it is essential to ensure that expectations for risk tolerance be the same as--not arbitrarily lower than -- the risks for existing technologies (e.g., foods or agronomic techniques) that are widely accepted today.

The OECD supports ongoing research, information and assessment efforts to build an international knowledge base regarding both fundamental approaches to evaluating the risks of biotechnology, and knowledge about specific products. The creation of 'consensus documents' which comprise technical information for use during the regulatory assessment of products of biotechnology and are intended to be mutually recognized among OECD Member countries is the first step in this process. The OECD also contributes to providing good information for use by member states in risk assessment, risk management and public education efforts. Further, the OECD has participated in relevant capacity building and technology cooperation efforts with non-member states.

## **Role of the OECD on Food Safety**

Modern biotechnology provides farmers and researchers with the latest tools in the search for better, more healthful foods by giving them the ability to target very specific characteristics for enhancement, making the process of providing higher quality foods more precise. As part of the G8 Mandate, the OECD has been called upon to "undertake a study of the implications of biotechnology and other aspects of food safety". The OECD should take stock of its biotechnology-related work over the whole range of related fields, and consider how those could be integrated to successfully complete this new assignment. A number of international agencies, including the OECD, and national authorities have developed strategies and guidelines for the safety assessment of 'novel foods,' including those produced via modern biotechnology.

The OECD, among other organizations involved in this issue, should continue to advocate the comparative approach to the safety assessment of new, or 'novel', foods. This comparative approach to safety is reflected in the OECD's concept of "substantial equivalence," which has been integrated into national risk-management programs. BIAAC believes this to be the most practical science-based approach to the determination of food safety for any new food products.

The OECD should also continue its leading role in facilitating data exchange on both new foods, e.g. agronomic, genetic, chemical, nutritional and/or bioavailability, and their conventional counterpart(s). For example, countries have asked the OECD to foster data exchange in the area of

allergenicity—a key issue in the food safety debate. It is important, however, to further examine methods of increasing data exchange on this issue, including with consumers, recognizing that in many OECD nations, labeling for allergenicity, as well as for changes in the nutritional, and compositional content of ‘novel’ foods among others, are already required of industry.

Looking ahead, the OECD activities should be founded upon:

1) *Sound Science as the Basis for Risk Assessment, Risk Management, and Communication*

The OECD has relied on sound science as the basis for understanding and managing challenging issues related to human health and environment. This has been the case over a wide range of issues, notably in the area of chemicals risk analysis and management. While specific technical issues may differ, the OECD should look to many of the basic approaches and principles used to manage chemicals (e.g., risk evaluation framework, scientific methods, peer review, and risk management) as the basis of future work on harmonization in the area of biotechnology, in addition to the considerations of “substantial equivalence” described above.

2) *Collaboration with other relevant International Forums* (i.e. FAO, Codex, WHO, others): The OECD has worked closely with other forums such as the FAO, WHO, UNEP and UNIDO. By intensifying its cooperation with these and other forums, the OECD can facilitate information sharing and coordination, and obviate areas of potential policy conflict or contradiction in the area of biotechnology.

3) *Importance of Government/Industry Collaboration in Information Gathering, Management and Sharing.* Industry experts, scientists and data can assist the OECD in its biotechnology activities. BIAC looks forward to working more closely with the OECD and its member states to increase data sharing activities in the area of biotechnology.