

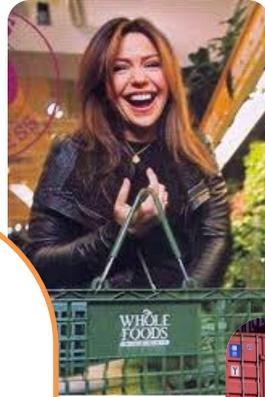
# Segregating Corn and Soy for GMO sensitive markets Identity Preservation Challenge



USDA Stakeholder Workshop  
March 12, 2015 Lynn Clarkson  
[www.clarksongrain.com](http://www.clarksongrain.com)

# Perspective

- Merchant – goal
- IP purpose
- Supply corn & soy segregated by varieties and market distinctions, Identity Preserved (IP)
- Contract with farmers before planting to secure suitable supplies
- Ship by container, truck, rail, barge, ships; in bulk, bags and boxes; prepared and ready to cook or bin run.
- Secure growers by paying premiums that justify continuing participation in IP programs



# Identity preservation - IP

- ❑ Purpose: Supply corn/soy to buyers seeking non-GMO, organic or particular GMOs selected for competitive advantage
- ❑ Buyers: range
- ❑ Evolution pre-GMO to 2015
  - Visible
  - Must test to know



2015: Contamination due to adventitious , unintended presence of unwanted GMO traits has become the single biggest challenge to meeting client quality standards.

Biased against any crop produced in such a way that it ruins the neighbor's ability to serve his preferred markets. Otherwise not opposed to development or commercialization of GMO crops.

# Managing for purity

- ❑ Define what NON-GMO means!
- ❑ Zero: practically impossible
- ❑ 5%: Who is going to buy?
- ❑ Japan
  - Official
  - Food/feed
  - Flex
- ❑ EU labeling standard
- ❑ US and Canada: emerging standard

Positions in play regarding tolerance levels – fixed or changing

Crop protective traits – tolerance level

Functional traits – tolerance set at level of functionality

Who defines? Private groups? Government? State or federal?

# Contracting production

- ❑ Establish contract production standards
- ❑ Lay out segregation protocols, suggested, required
- ❑ Establish verification and testing standards



- Incentivize producer: reward quality, purity
  - Corn incentives
  - Soy incentives
- Verify with documentation
- Verify with testing - challenges
  - Representative sample
  - Transparent test with same accurate results at point of shipment AND point of delivery – role for government

# Managing Contamination Vectors

## ☐ Seed

- ☐ Test and label before distribution
- ☐ Test at farm before planting
- ☐ Buy seeds from EU

## ☐ Field

- ☐ Clean equipment
- ☐ Testing and inspection by 3<sup>rd</sup> party during production
- ☐ Buffers for purity

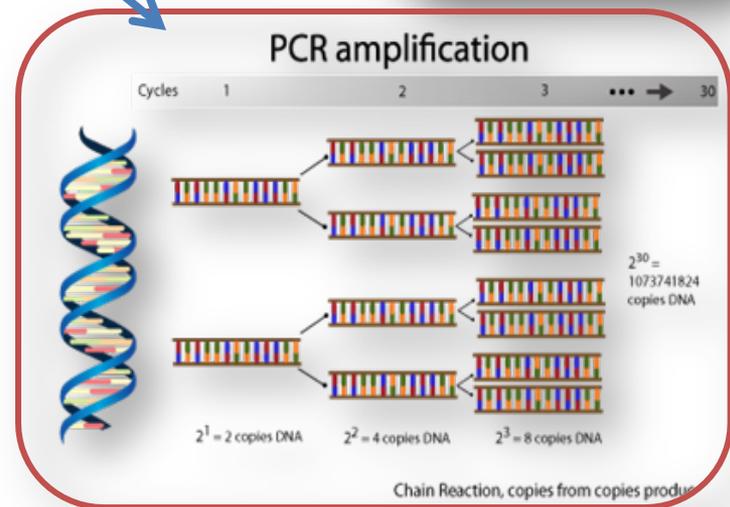


## Post harvest

- Clean conveyors, storage bins, trucks
- Test and approve inventory on farm
- Test each load on arrival 1<sup>st</sup> commercial receiving point
- Test each load on shipment to subsequent receiving point...at final destination
- Sampling/testing issues/choices

# Verification – testing for traits

- ❑ ELISA tests – pro, con
  - 1/400; \$ and ¢/bu
- ❑ PCR tests – pro, con
  - 1/1,000; \$\$\$
  - 1/10,000; \$\$\$
- ❑ Cultural standards
- ❑ Functional standards



# The GMO wrinkle for Organic Farmers

## Are organic products free of GMOs?

Organic standards are process based. NOP regulations prohibit use of genetically modified organisms, prohibit commingling or contamination during processing and handling, and require preventative practices to avoid contact with GMOs. Organic agricultural products should have minimal if any GMO contaminants. However, organic food products do not have a zero tolerance for the presence of GMO material.



Crop can be certified organic and not be merchantable as organic because most organic buyers have added a NON-GMO requirement. Potential loss of value due to adventitious presence exceeding contract standard becomes

- Corn - \$8 to \$9/bu
- Soybeans - \$20/bu

# Vision for US Agriculture

- ❑ Goal – support farmer choice, protect farmer from being market dominated by his neighbor.
- ❑ Goal – Support buyer choice of hybrid/quality, GE presence, production methods.
- ❑ Goal – Support continuing technical and market improvements of corn and soy.



**How can we  
balance and respect  
these values?**

# Suggestions toward peaceful coexistence

- ❑ Acknowledge that significant market distinctions such as GMO merit the respect of labeling.
- ❑ Agree to federal NON-GMO labeling (not GMO labeling)
- ❑ Define the meaning of Non-GMO: having less than “X” GMO content. What’s value of X? 0.9%? Other? Arguments in play.
- ❑ Enforce truthful labeling through the FTC or USDA
  - Credibility value of government versus competing private groups
  - NOP & organic market analogy
  - GIPSA grain standards: government defines some values, negotiation others

Agree that farmers do not have the right to damage their neighbors’ market choice, that farmers raising conflicting crops must follow reasonable protocols to minimize adventitious presence, perhaps sharing a segregation buffer.

**Voluntary cooperation or regulation?**

# Seed Approval Suggestion - Benefit

- ❑ Consider market disruption as well as safety before welcoming new traits into the commercial seed pool.
- ❑ For less disruptive traits, make appropriate buffer distances part of approval.
- ❑ For more disruptive traits that are functional at extremely low concentrations, require markers that permit detection and segregation, as well as buffer distances.
- ❑ Require appropriate segregation requirements be included in the contract between seed provider and farmer so that both parties understand their responsibilities for protecting neighbors and promoting supply purity.

Such policy moves could

- minimize expensive conflicts over labeling and application of tort law and class actions to resolve community conflict
- Ease the controversy over introducing new traits
- Satisfy many who want a reliable label
- Support the US farmer whether organic, conventional or non-GMO as a disciplined supplier to the world

# Questions – Comments



Thank You

**Lynn Clarkson** [Lynn.Clarkson@ClarksonGrain.com](mailto:Lynn.Clarkson@ClarksonGrain.com)

- Member, USDA AC21 committee
- Member, Organic Trade Association (OTA)
- Member, National Grain and Feed Association
- Member, Illinois Grain Dealers Association
  - Member, Illinois Farm Bureau
  - Member, Illinois Corn Growers Assn
  - Member, Illinois Soybean Assn
- Member, US Soy Export council (USSEC)
- Former member, OTA Board of Directors
- Former member, USDA GIPSA Advisory Committee
- Former member, ag advisory committees UIUC

