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Hungary's Biotech Corn Ban Remain in Place

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Approved by:

Sarah Hanson
U.S. Embassy

Prepared by:

Ferenc Nemes

Report Highlights:

On February 20th, the EU environmental ministers voted down the European Commission's proposal for Hungary to repeal its prohibition on the use and sale of biotech corn "MON 810". The Hungarian Environmental Minister stressed that the decision was not against the production of genetically modified plants. However, he emphasized that Hungary wants to maintain safeguard measures until solid studies on the environmental effects are available.

Includes PSD Changes: No
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Unscheduled Report
Budapest [HU1]
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On February 20th, EU environmental ministers voted down the European Commission's proposal requesting Hungary to repeal its prohibition on the use and sale of biotech corn variety "MON 810". The proposal was rejected by a qualified majority of Member States with UK, Finland, Sweden and the Netherlands supporting it and Romania abstaining.

Hungarian Environment Minister Miklos Persanyi stressed that the "Ecological risks of other, first of all closed system biotech technologies are negligible but the 'open' technologies need further analysis." He added that the decision was not against the production of genetically modified plants "en bloc". Hungary wants to maintain the safeguard measures until solid environmental effect studies are complete. Hungarian corn producers can control corn borer problems with traditional plant protection methods, and Hungary's main export markets favor non-biotech products.

Erno Duda, Chairman of the Hungarian Biotechnology Association, was quoted in several Hungarian business daily newspapers emphasizing the positive results of agricultural biotechnology worldwide and the openness of Hungarian farmers (as evidenced by a recent opinion poll) for use of this technology. Duda pointed out the ambiguous approach of the EU concerning both the approval of biotech varieties and the regulation of coexistence.

Greenpeace and the Hungarian green movements praised the results of the vote, and there are indications that anti-GMO interest groups may exploit current domestic policy tensions in the GOH to push for tightening the country's current coexistence legislation (CVII/2006 Act [December 7.] "On the Amendment of the XXVII/1998 Act on Biotechnology Activities"). The current coexistence regulation creates a "de facto" ban on planting biotech varieties in Hungary (for additional information on the above legislation, see GAINS report HU6015).

As a counter to the recent anti-biotech murmurings, the Hungarian business press published references to the early 2006 WTO panel ruling, which accused the EU of not doing enough against the bans of some Member States.

The results of the EU Environmental Ministers vote has given Hungary more time to maintain its status as a "GMO-free" country. The European Commission is unlikely to challenge the Hungarian and Austrian bans in the near future. However, the upcoming reform of the EU's agricultural policies (i.e. introduction of the "single farm payment" scheme), expected cuts in corn intervention, and other changes affecting the competitiveness of Hungarian corn production (including Hungary's prominent corn seed business) may force the GOH to revise its policy concerning biotech corn varieties.