TRADING UP ENVIRONMENTAL STANDARDS?
TRANSATLANTIC GOVERNANCE OF GM CROPS

Report Executive Summary

Introduction

Genetically modified organisms (GMOs) have been a source of tension between the European Union (EU) and the United States (US) since the late 1990s. The ‘trading up’ project examined the relationship between this tension and the setting of regulatory standards. More specifically, focusing on the regulation of GM crops and foods, we investigated the prospects for ‘trading up’ of environmental standards, i.e. for raising standards as a result of trade-regulatory conflicts. Fieldwork was conducted between April 2002 and March 2004. Over 30 key stakeholders in Brussels and Washington were interviewed. This summary focuses on: (1) the efforts of transatlantic networks to shape regulation in the EU and the US, and (2) the setting of regulatory standards associated with risk assessment.

Transatlantic networks and the regulation of GMOs

Various transatlantic networks have actively tried to shape the regulation of GMOs in the US and the EU. Networks associated with transatlantic trade liberalisation were particularly important in the mid 1990s. The Transatlantic Business Dialogue (TABD), for example, argued that governments should adopt the same standards for risk assessment and approval of GMOs. This would help to avoid barriers to trade emerging. More generally TABD campaigned for the principle of ‘approved once, approved everywhere.’

Government officials sought to implement TABD proposals as part of the New Transatlantic Agenda. In 1998 trade officials created the Transatlantic Economic Partnership (TEP), a network charged with finding ways to improve EU-US trade. To this end, towards the end of the 1990s, the TEP Biotechnology Working Group intended to conduct a pilot project on simultaneous assessment of a GMO in the EU and the US. This project was a step in the direction of harmonising regulations on either side of the Atlantic.

In the late 1990s, following complaints from various pressure groups about transatlantic trade liberalisation, additional transatlantic ‘dialogues’ were created. These aimed to shape the regulation of GMOs in different ways. The Transatlantic Consumer Dialogue (TACD), for example, campaigned from a consumer rights perspective. In relation to the risk assessment of GMOs they endorsed the precautionary principle. They also argued that from a consumer rights perspective extra legislation was needed, especially to require the labelling of all GM food and feed. This demand was derived from the principle of ‘right to know, right to choose.’

Helped to a considerable extent by the backlash against GMOs in Europe in the late 1990s, TACD members and other pressure groups successfully reshaped the regulatory debate in the EU. The EU embraced many of their proposals, such as traceability and labelling, and at the same time the trade liberalisation process was brought to a halt in this sector. One way to
understand this is to conceive of networks like TABD and TACD as ‘advocacy coalitions’. They are coalitions of actors who share sets of beliefs and frame issues in particular ways. The reframing of GMOs as a consumer rights issue, rather than a trade liberalisation one, had important implications for the trajectory of EU regulation of GMOs.

**Regulatory standards and risk assessment of GMOs**

Regulatory standards associated with the risk assessment of GM crops have changed significantly since the mid 1990s. A good example is the use of non-GM refuges to manage insect resistance to GM insecticidal maize. In the US, in 1995, the Environmental Protection Agency (EPA) registered such products and imposed no requirements relating to insect resistance management. By 2000, however, the EPA had accepted the need for refuges and issued clear regulations.

There have also been changes in regulatory standards associated with the risk that GM insecticidal maize might harm non-target insects. To assess this risk regulators assumed that the impact of the GM crop on non-target insects should be compared with the impact of using chemical sprays to control pests. Responding to protest and criticism, however, expert advisors have more recently proposed that such risks should be compared with a range of agricultural practices, including non-chemical methods of crop protection.

Analogous changes can be found in the area of risk assessment of GM foods. Regulatory procedures in the mid-1990s relied on physical and chemical composition to establish ‘substantial equivalence’ between a GM food and conventional (non-GM) foods. This formed the basis for safety claims. Following protests, however, ‘substantial equivalence’ was redefined in a way that results in a more careful search for, and examination of, potential differences between GM and non GM food. Problems associated with toxicity, allergenicity, nutritional equivalence and unintended effects are now dealt with much more explicitly.

How can these changes in regulatory standards be explained? The concept of ‘regulatory science’ can help because it draws attention to value-based judgements about uncertainties that are implicit in risk assessment. In practice, although these are often hidden, such judgements can be challenged. Using the backlash against GMOs in Europe, and the subsequent EU-US trade conflict, various critics have successfully influenced advisory and regulatory procedures resulting in the adoption of more stringent standards. Transatlantic networks of pressure groups and critical scientists have been particularly influential.

**Conclusion**

EU-US trade liberalisation was part of the context out of which the backlash against GMOs in Europe emerged. European pressure groups targeted US shipments of maize and soya which might have contained GM material in order to generate public debate and opposition. In the context of the controversy that followed, critics challenged various regulatory standards on scientific and other grounds. In response policy makers accommodated many of their criticisms and proposals, especially in Europe, but also to some extent in the US.
We can use the concept of ‘trading up’ to understand this process. According to David Vogel, under some circumstances trade liberalisation can lead to the adoption of higher regulatory standards. One reason why this might happen is that as a result of trade liberalisation pressure groups can be presented with new opportunities to campaign for higher standards which are not available to them otherwise. This appears to have happened in the case of GM crops and foods and the regulation of these in the EU and the US.