



National Grain and Feed
Association



North American Export
Grain Association

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**Joint Statement
by National Grain and Feed Association (NGFA)
and North American Export Grain Association (NAEGA)
on Media Reports of Lawsuit Involving Syngenta's
Agrisure Viptera™ Biotech Corn (MIR 162)**

August 26, 2011

The National Grain and Feed Association (NGFA) and North American Export Grain Association (NAEGA) today issued the following statement in response to media reports of the lawsuit involving Syngenta's Agrisure Viptera™ biotechnology-enhanced corn (MIR 162), which has received regulatory approval or authorization in the United States and several foreign markets, but not in China.

“The NGFA and NAEGA have been made aware that Syngenta America Inc. has initiated legal action against Bunge North America Inc. in the U.S. District Court for the Northern District of Iowa. Both Bunge North America Inc. and Syngenta are member companies of the NGFA, while Bunge North America is a member of NAEGA. NGFA and NAEGA member companies make independent business decisions with respect to commercialized biotech-enhanced events based upon each company's assessment of the risks and rewards associated with each new event.

“The NGFA and NAEGA both strongly support agricultural biotechnology and other scientific and technological innovations that contribute to the production efficiency and availability of a safe, abundant and high-quality food and feed supply for U.S. and world consumers.

“The grain handling and export industry have communicated consistently, clearly and in good faith with biotechnology providers and seed companies about the importance of biotech-enhanced events in commodity crops receiving regulatory approvals or authorizations – prior to commercialization – in key export markets where foreign governments have functioning regulatory systems that approve biotech-enhanced traits. These communications regarding key export markets, identified through market and trade assessments, have been conveyed through industry trade associations and in direct communications by individual companies.

“Within the U.S. grain and oilseed handling and marketing system, each company makes its own determination as to whether to accept various commodity crops – including those containing biotech-enhanced events – driven by customer preferences, regulatory regimes, contractual

commitments and the respective markets they serve. Given the nature of the U.S. grain marketing system, these business decisions extend to the first point of sale from the producer. The NGFA in the late 1990s developed sample contract clauses that companies could consider using based upon their specific market needs and situations with respect to biotech-enhanced traits. These sample contract clauses were updated most recently in May 2007. NAEGA and NGFA member companies continue to make commercial decisions on appropriate responses to the commercial introduction of new biotech-enhanced events based upon the individual company's facilities, economic considerations and market opportunities.

"Providing all participants in the value chain, from producer to consumer, with the ability to choose is a key driver in enabling coexistence of diverse interests in agriculture in the United States.

"U.S. farmers, as well as the commercial grain handling and export industry, depend heavily upon biotechnology providers voluntarily exercising corporate responsibility in the timing of product launch as part of their product stewardship obligation. Technology providers must provide for two critical elements: First maintaining access to key export markets like China, or for that matter any market like China that has a functional, predictable biotech-approval process in place; and second, proactive transparency to all stakeholders when there is a potential for restricted marketability of their products based upon approval status in major markets. The negative consequences of overly aggressive commercialization of biotech-enhanced events by technology providers are numerous, and include exposing exporting companies to financial losses because of cargo rejection, reducing access to some export markets, and diminishing the United States' reputation as a reliable, often-preferred supplier of grains, oilseeds and grain products. Premature commercialization can reduce significantly U.S. agriculture's contribution to global food security and economic growth.

"Putting the Chinese and other markets at risk with such aggressive commercialization of biotech-enhanced events is not in the best interest of U.S. agriculture or the U.S. economy."

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The NGFA, established in 1896, comprises more than 1,050 member companies that operate more than 7,000 facilities and handle more than 70 percent of the U.S. grain and oilseed crop. The NGFA's membership encompasses all sectors of the industry, including country, terminal and export grain elevators; commercial feed and feed ingredient manufacturers; biofuels producers; cash grain and feed merchants; end-users of grain and grain products, including processors, flour millers, and livestock and poultry integrators; commodity futures brokers and commission merchants; and allied industries. The NGFA also has strategic alliances with NAEGA and Pet Food Institute. In addition, affiliated with the NGFA are 26 state and regional grain and feed trade associations. Canadian and Mexican firms also are NGFA members.

NAEGA, a not-for-profit trade association established in 1912, consists of private and publicly owned companies and farmer-owned cooperatives that are involved in and provide services to the bulk grain and oilseed exporting industry. NAEGA's mission is to promote and sustain the development of commercial export of grain and oilseeds and their primary products. Through a reliance on member action and support, NAEGA acts to accomplish its mission from its office in Washington D.C., and in markets throughout the world.