

24-5-16

Agri ministry pulls order on GM traits

P-1-2
FE
24-5-16

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FACED with sharp criticism from major biotech companies like Monsanto, the agriculture ministry has decided to withdraw the notification issued last week capping the trait value charged by them on new genetically modified (GM) traits, besides declaring null and void all existing licence agreements between the trait providers and seed producers. Sources said apart from the impracticality of some of the provisions in the contentious May 18 order, the decision to put it in abeyance was also prompted by a desire to avoid possible adverse press coverage of it during Prime Minister Narendra Modi's scheduled US visit during June 7-8.

"The notification regarding guideline for Bt cotton technology issued on 18.05.2016 will be put in the public domain for (a) period of 90 days, in the same form for comments and suggestions of all stake-

Sources told FE inputs from various stakeholders would be analysed before taking a final call

holders," the agriculture ministry said. The law ministry is likely to issue the denotification order on Tuesday.

However, it is unclear whether the government's latest move indicates a change of heart.

■ **Continued on Page 2**

the maximum sale price of Bt cotton seeds for the first five years and lowering the same by 10% annually—thereafter could undermine R&D for superior GM traits and hit India's cotton productivity in the medium term.

Besides, the notification nullified the existing seed licences and proposed execution of new licensing agreements in new format in 30 days, which seemed to be impractical. This could lead to delay in providing Bt cotton seeds to farmers in the next kharif season by the companies because of the short time span. "After getting feedback from various stakeholders, we will reissue the notification," an official said.

"We strongly oppose the recent gazette notification as it a huge blow to the innovators in agri-biotech industry," Shivendra Bajaj, executive director, Association of Biotechnology-Led Enterprises—Agriculture Focus Group, (ABLE-AG), a body of top biotech firms, said.

The retail price of widely-used Bollgard II variety cotton seeds was ₹930 per 450-gm packet with the trait value component of ₹163. The agriculture ministry in its December 7, 2015, price control order reduced the seed price to ₹800 and the trait value to ₹42 (exclusive of taxes). While the new price is said to be non-remunerative to trait providers, the latest notification is more detrimental to their interests as it disallows market-determined pricing of even new GM traits.

About 90% of the country's cotton area of 11.8 million hectares (in the 2015-16 season) is under Bt cover. Domestic cotton production has risen manifold since the introduction of Bt seeds— from 13.6 million bales in 2002-03 to a projected 30.5 million bales in 2015-16.

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Sources told FE inputs from various stakeholders like seed companies, trait providers and farmers would be analysed before taking a final call.

Sources said that fixing trait value for new GM traits at 10% of

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