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Agricultural Biotechnology Annual

Biotech Annual Report

Approved By:

James Dever

Prepared By:

Tatjana Maslac

Report Highlights:

Serbia has not yet adopted any changes to the current Law on Genetically Modified Organisms (GMOs), despite a strong reaction from the U.S., the EU and other WTO members. When adopted, the amended Law on GMOs will represent the general framework for biotechnology in Serbia. Thus, the country will fully harmonize its regulations with the EU policy and will allow imports and growing of biotech crops and products, but under strict control of the State. Restrictive Law on GMOs is continuing to be one of the main obstacles for the Serbian future accession to the WTO.

Section I. Executive Summary:

Because of the Law on Genetically Modified Organisms (GMOs) adopted in 2009, Serbia prohibits strictly all imports, production, and commercial growing of GMO crops or products containing GMOs. This law was adopted without any scientific basis and represents one of the main obstacles to Serbia's WTO accession process. Beside a ban on trade and commercial cultivation of GMO products, law is extremely problematic in the compliance with WTO rules.

After strong reaction from the U.S., the EU, and other WTO members, over the last three years, Serbian trade and agriculture officials recognized the problems to the international trade caused by the restrictive Law on GMOs adopted in 2009, but no changes to the law have been done so far. It is expected that, when adopted, the new amended GMO Law and other by-laws will be fully in accordance with EU Directives on biotechnology 2001/18/EC, No.1829/2003, 1830/2003, 65/2004, and 641/2004. The proposed amendments will allow to import and grow biotech crops and products, but only under very strict control of the State. Amended Law on GMO will represent the general framework on biotechnology in Serbia, while all specifics will be regulated by additional eight by-laws that are planned to be adopted immediately after passing a new amended GMO Law. The additional eight by-laws will cover the use of GMOs in closed systems, the placing of GMOs on the market, labeling and traceability, authorized laboratories and others. In addition to those new by-laws, there will be some changes in terminology in already existing four by-laws.

Marketing or promotion of GMO food does not exist in Serbia. There is a strong, negative public attitude towards the acceptance of biotech crops and products derived from GMO crops. Consumer awareness of GMOs is very low and public discussions of biotechnology related issues are very limited. Currently there is no foreign company in Serbia engaged in biotech experimental research.

USDA has been assisting in developing Serbia's capacities in the research and regulations of agricultural biotechnology since 2001. Through numerous seminars, workshops, and field visits (both in Serbia and in the United States), USDA/OCBD has trained Serbian participants to critically examine the technical and economic aspects of biotechnology policies and pursue strategies to optimize their implementation. USDA technical assistance activities on biotech included also the assistance to Serbian scientists in designing and conducting field trials of genetically modified crops. Since mid-2009 until the end of 2010, USDA technical assistance was targeted at assisting Serbian biotech experts in preparing amendments to the Law on Biotechnology. In 2010, FAS Belgrade organized a visit of a biotech speaker to Serbia, as a part of the State Department's Program "Biotech Outreach Strategy." FAS Belgrade is planning to organize a new visit of a biotech expert to Serbia in fall 2012, in order to demonstrate the benefits of biotech agricultural products and practices in order to improve the understanding of biotech agricultural issues among Serbian policy makers and the public.

Section II. Plant Biotechnology Trade and Production:

Because of the GMO Law adopted in June 2009, Serbia does not produce any GMO crops and no biotechnology varieties are permitted for imports to Serbia. According to this law, biotechnology crops are only allowed for laboratory work, research, and field tests. Imports of biotech crops and products (including soybean meal that was allowed for import before this law), soybeans, and corn are prohibited. All shipments of soybeans, corn, potato, rapeseed, and their products entering Serbia must be tested for GMO content, and are allowed to be imported only if they are GMO-free.

Imports of RR soybeans for crushing or other commercial purpose are not allowed in Serbia. The current law does not prohibit the research work with genetically modified organisms, but puts them under the strict supervision of the State. Permits for research work and contained use of biotech materials can be obtained from the Serbian Ministry of Agriculture after meeting the State's regulatory requirements.

According to the 2009 Law on GMOs, Serbia is no longer able to import soybean meal from Round-Up Ready soybeans or feed stuffs that contain GMO soybean meal. Thus, for the past three years, local cattle feed producers were left to buy only locally produced soybean meal—very often with much higher price than in other EU countries—allowing imports of RR soybean meal. The leading producer of soybean meal in Serbia is the largest soybean crushing facilities in this part of Europe called “Sojaprotein” from Becej in Vojvodina. The local company “Victoria Group,” one of the leading company in agriculture production and processing in Serbia, owns “Sojaprotein.” Prior to adopting the 2009 Law on Biotechnology, GMO soybean meal was the only GMO product allowed for import to Serbia. However, every shipment was required to obtain approval from the Ministry of Agriculture through a very complicated procedure.

Only non-GMO soybeans are allowed to be grown in Serbia. Area planted to non-GMO soybeans has been growing steadily from 2001 to 2012, mainly because of the increased demand for soybean meal for animal feed. Since 2005, Serbian phytosanitary inspection services started to inspect and to restrict illegal planting of GMO soybeans. The amount of illegally planted GMO soybeans that was confiscated in the past was crushed under State control and allowed to be used for animal feed or for export.

Area planted to non-GMO soybeans in MY 2011/12 was 165,000 HA. With average yield of 2.7 MT/HA, total production of soybeans in MY 2011/12 was 440,000 MT. It is estimated that in MY 2011/12 Serbia can produce 395,000 MT of non-GMO soybean meal. Due to a ban on imports of RR soybean meal, in MY 2011/12 Serbia imported only 15,000 MT of non-GMO soybean meal. Area planted to non-GMO soybeans for MY 2012/13 was 160,000 HA, or about 3 percent less than the previous year. It is estimated that soybean production in MY 2012/13 can reach 480,000 MT.

Consumption of soybean meal in Serbia is estimated at around 300,000-350,000 MT. Since 2009, Serbia increased production of soybeans and soybean meal and decreased consumption, due to the reduced cattle number, and is mostly self-sufficient, unlikely previous years when deficit of around 100,000-120,000 MT was covered by imports (mostly from Brazil and Argentina). Current market price of soybean meal at Novi Sad Commodity Exchange is 52-53 din/kg (560-575 USD/MT).

Monopoly of soybean meal supply puts Serbian farmers and cattle producers in a very bad situation. Because of the high price of inputs for cattle feed, Serbian cattle production has been reduced for the last couple of years. Price of meat cannot follow price of inputs, due to the limited incomes of the local population causing meat demand to be very low.

For every shipment of soybeans and soybean meal at the border, phytosanitary inspectors are instructed to carry our surveillance of possible unauthorized imports of biotech crops or products, while the internal inspectors from the Ministry of Agriculture control what is planted on the field in Serbia. The phytosanitary inspectors use test strips “Reveal for CP4” on testing for RR soybeans presence, or apply herbicides on small areas of the soya fields to identify illegal GMO soybean planting. The Ministry of Agriculture works with four accredited laboratories for GMO testing:

1. SP Laboratory (member of “Victoria Group”)
Address: Industrijska Zona bb, Becej
Phone: +381 21 453 191
Web page: www.victoriagroup.rs

2. Laboratory for Seed Tasting (part of Institute for Crops and Vegetables Novi Sad)
Address: 30 Maksima Gorkog, Novi Sad
Phone: +381 21 421 248
Web page: www.nsseme.com

3. A Bio Tech Lab,
Address: Vojvode Putnika bb, Sremska Kamenica
Phone: + 381 21 489 3661
Web page: www.abiotechlab.com

4. Institute for Molecular Genetics and Genetics Engineering
Address: Vojvode Stepe 444a, Belgrade
Phone: +381 11 3975 744
Fax: + 381 11 3975808
Web page: <http://www.imgge.bg.ac.rs>

All four laboratories are accredited by the National Accreditation Board of Serbia and they are following the International Seed Testing Association (ISTA) proficiency testing on GMO. Laboratory accreditation insures that the laboratory follows seed testing according to the requirements of the ISTA regulations.

In 2001, the U.S. company Monsanto obtained its first approval for contained use of Roundup Ready herbicide corn (NK603) from the Ministry of Agriculture for a period of four years. Field trials of the RR corn took place in two research institutes, the Maize Institute Zemun Polje and the Institute for Vegetables and Crops in Novi Sad. From 2006 to 2009, Monsanto was granted an approval to continue its RR corn field trials, but from 2009 Monsanto did not require for any new approvals for RR corn field trials since it decided to put RR cornfield trails in Serbia on hold for the time being. Therefore, currently there is no foreign company in Serbia engaged in biotech experimental research.

Section III. Plant Biotechnology Policy:

The Serbian Parliament adopted the Law on Genetically Modified Organisms (GMOs) in May 2009. Law was published in the Official Gazette No.41/2009 and became effective from June 12, 2009. This law completely bans all trade and commercial cultivation of biotech products or trade with biotech products and products delivered from biotechnology and regulates basic conditions for the use GMOs in closed systems and deliberate release into the environment.

The current law regulates only conditions for the contained use, research activities, and field trials of biotech products under the strict control of the State. There is a strict and detailed application process for obtaining a permit for GMO research. The application must provide all the necessary data on the particular biotech event or biotech crop and stipulate parameters for safety procedures and measures. All applications must be submitted to the Serbian Ministry of Agriculture for review and approval. Risk assessments are evaluated by the Biosafety Expert Council, which is composed by representatives of scientific research institutions in the fields of agriculture, ecological, and biological science.

Since June 2009, Serbia is following the EU's lead in most of the biotech issues. The Serbian

Government received negative comments on the new law from the European Union, since the law is not in accordance with EU Directives and it does not include any regulations concerning trade, transport, marketing, packaging, traceability, and labeling of GMO products. If the new amended GMO Law is adopted followed by other by-laws, it will be fully in accordance with EU Directives on biotechnology 2001/18/EC No.1829/2003, 1830/2003, 65/2004, and 641/2004.

Four by-laws (Rulebooks) that were adopted in 2002 are still in effect (of which number 3 and 4 are not in use with the current law, but will be once the law gets amended).

Rulebooks that are still valid are:

1. Rulebook on “Contained use of genetically modified organisms”, No.1244/1 issued November 13, 2002;
1. Rulebook on “Regulation on the content and data of products derived from GMOs”, No. 1669/1 issued December 15, 2002 (will be amended with new terminology after adoption of the amendments to the current GMO Law);
1. Rulebook on “Commercial release of ‘GMOs’ or products derived from same”, No.1245/1 issued November 13, 2002 (not used due to the new Law on GMO);
1. Rulebook on “Deliberate release of biotech products into the environment”, No.1246/1 issued November 13, 2002 (will be amended with the new terminology after adoption of the amendments to the current GMO Law).

Following the adoption of the current Serbian GMO law, the Ministry of Agriculture is planning to implement regulations in the new rulebooks. Amended Law on GMOs will represent general framework on biotechnology that will be fully harmonized with EU regulations on biotechnology, while all specifics will be regulated by additional eight by-laws that Serbia is planning to adopt, in addition to already existing four by-laws.

List of additional by-laws that Serbia will need to adopt after changing current GMO Law in order to harmonize its legislation on biotechnology with EU Directives:

- Regulation on the use of GMOs in closed systems (Directive 2009/41/EC);
- Regulation on deliberate release of GMOs into the environment (Directive 2001/18);
- Regulation on the placing on the market of GMOs and products of GMOs (Directive 2001/18, Regulation 1829/2003, Regulation 1830/2003, Regulation 641/2004, and Regulation 1946/2003);
- Regulation on labeling and traceability of GMOs and products of GMOs (Regulation 1830/2003 and Regulation 65/2004);
- Regulation on the content and data of the Register of GMOs and products of GMOs;
- Regulation of the authorized laboratories (Commission Recommendation 2004/787/EC),

- Regulation of confidential information;
- Regulations for the handling, packaging and transport of GMOs and GMO products.

Current GMO Law regulates the work of the Biosafety Expert Council (before known as National Biosafety Committee) and the network of National Laboratories responsible for analysis of biotech events and defines the role of the Institutional Biosafety Committee (IBC). Serbia is a party to the Convention on Biological Diversity, ratified in 2002, and has accepted the Cartagena Protocol on Biosafety since 2006. According to Serbia's obligations under the protocol, it must create a Biosafety Clearing House (BCH) consisting of a national database keeping record of all biotech trials, production, and trade activities of GMOs in the country.

Serbia is currently a member of the CODEX Alimentarius, the European Plant Protection Organization (EPPO), the Convention of Biodiversity (CBD), the International Union for the Protection of the new Varieties of Plants (UPOV), the World Intellectual Property Organization (WIPO), the European Cooperative Program for Crop Genetic Resources Networks (ECP/GR), and is a signatory of the Aarhus Convention and the International Plant Protection Convention.

The Ministry for Agriculture, Trade, Forestry, and Water Management is the competent authority responsible for all GMOs issues in Serbia. The Ministry deals with all contained use of GMOs and is the focal point for Cartagena Protocol, Biosafety Clearing House, plant varieties registration and protection, genetic resources, and accreditation of laboratories. The Agricultural Ministry is also responsible for appointing members of the Biosafety Expert Council.

Contact information for GMOs issues at the Ministry of Agriculture is:

Mrs. Vanja Kojic
 Address: 1, Omladinskih Brigade Street
 11000 Belgrade
 Serbia
 Phone: + 381 11 311 75 91
 Fax: + 381 11 311 70 94
 E-mail: vanja.kojic@minpolj.gov.rs

The Ministry of Agriculture supervises the application of the GMO law and its subsequent regulations through a system of Republic Inspectors. It manages all phytosanitary inspectorates and quality control of food and feed production. It is also responsible for financing research projects in the fields of agriculture and protection of genetic resources.

Section IV. Plant Biotechnology Marketing Issues:

Marketing or promoting GMO food does not exist in Serbia. There is a strong negative public attitude towards the acceptance of biotech crops or products derived from GMOs. With the adoption of GMO Law in 2009, the Ministry of Agriculture in Serbia openly expressed its attitude against GMOs.

Consumer awareness of GMOs and public discussions of biotechnology related issues are very limited. During the past three years, Serbian officials continued to strongly promote a campaign in the Serbian Province of Vojvodina, for the creation of this region known as the Serbian "bread-basket" as a GMO-

free region. The government is also encouraging a GMO-free Serbian agriculture and has a strict control over GMOs production, reaching some of the potential EU markets for non-GMO and organic products. Because of this campaign and strong support to domestic soybean crushing capacities dealing only with non-GMO soybeans, the Ministry of Agriculture decided to adopt the 2009 GMO Law to ban any growing or trading of GMOs.

Concerning marketing of non-GMOs, the Ministry of Agriculture is supporting local soybean producers and soybean crushing plants to promote Serbia as a non-biotech soybean producer and supports the notion that Serbian producers can realize higher profits through marketing non-biotech crops. Several Serbian crushing plants have long-term contracts with EU buyers to export non-GMO soybean meal and products. For MY12/13, Serbian soybean producers are receiving government production subsidies of 3,000 dinars/MT (33 USD/MT).

Section V. Plant Biotechnology Capacity Building and Outreach:

USDA has been assisting Serbia to develop its capacities in the research and regulations of agricultural biotechnology since 2001. Through numerous seminars, workshops, and field visits (in the U.S. and Serbia) OCBT experts have trained participants to critically examine technical and economic aspects of biotechnology policies and pursue strategies to optimize their implementation. USDA biotech activities include the assistance to Serbian scientists in designing and conducting field trials of genetically modified crops, and utilizing molecular genetics for food safety assessments.

For several years, the U.S. Foreign Agricultural Service (FAS) has provided extensive technical assistance to the Government of Serbia on biotech issues, resulting in a draft law on biotech agricultural products that complies with WTO principles. The draft law, however, has remained bottled up within the Ministry of Agriculture.

Possible future activities

Through State Department “Biotech Outreach Strategy” program in 2012, FAS Belgrade is planning to organize a visit of biotech speaker to Serbia. Through this program, a biotech speaker will demonstrate the benefits of biotech agricultural products and practices to select audiences within the agricultural sector, and will improve understanding of biotech agricultural issues among Serbian policy makers and the public.

Section VI. Animal Biotechnology:

Genetic engineering and/or cloning are not used in Serbia for the development of animal biotechnology. Serbia does not have in place any legislation related to the development, commercial use, and/or import of these animals or products.

Section VII. Author Defined:

REFERENCES AND RELATED NATIONAL WEB LINKS

The full text of the current Serbian Law on GMO is attached. The full text of four existing by-laws is also available at the FAS Office Belgrade, Serbia: Phone: + 381 11 306 4802; Fax: + 381 11 306 4922,

E-mail: AgBelgrade@fas.usda.gov .

Government Institutions:

Ministry for Agriculture, Trade, Forestry and Water Management

<http://www.mpt.gov.rs/>

Ministry for Science and Technological Development

<http://www.mpn.gov.rs/sajt/>

Ministry of Environment and Spatial Planning

<http://www.ekoplan.gov.rs/en/index.php>

Serbian Environmental Protection Agency

<http://www.sepa.gov.rs/>

Ministry for Health

<http://www.zdravlje.gov.rs>

Research Institutions:

Institute for Field and Vegetable Crops, Novi Sad

<http://www.nsseme.com/en/>

Maize Research Institute, Zemun Polje

<http://www.mrizp.co.rs/index-en.php>

Institute for Molecular Genetics and Genetic Engineering

<http://www.imgge.bg.ac.rs>

Institute for Biological Research "Siniša Stanković"

<http://www.ibiss.bg.ac.rs/>

Faculty of Agriculture, University of Novi Sad

<http://polj.uns.ac.rs/lang/eng/index.html>

Faculty of Biology, Belgrade University

<http://www.bio.bg.ac.rs/>

Faculty of Agriculture, Belgrade University

<http://www.agrif.bg.ac.rs/>

Fruit Research Institute Čačak

http://institut-cacak.org/index.php?option=com_content&task=view&id=26&Itemid=38&lang=en

