

News Release:

Tuesday, October 30, 2001 www.etcgroup.org

Thai-phoon in the rice bowl?

US acquisition of aromatic Thai rice breaks trust, tramples farmers, threatens trade and seed treaty talks

However US scientists got hold of Thailand's billion dollar "Jasmine" rice, the reality is that US national public research has the potential to destroy a vital export market for poor Asian farmers. That the invaluable germplasm may have been sent, improperly, by an international public science body dedicated to poverty eradication, raises tough questions about the role of the public sector in privatized science. Ironically, the very treaty that could help resolve these issues is endangered by this latest biopiracy. ETC group (formerly RAFI) draws out the international consequences.

Roaming rice: The United States Department of Agriculture (USDA) improperly received seed samples of Thailand's famous aromatic "Jasmine" rice, according to the researcher who is working on the seeds in Florida. The germplasm, requested from the International Rice Research Institute (IRRI – Los Banos, Philippines) was acquired in December 1995 without the Material Transfer Agreement (MTA) that obliges the recipient not to patent or otherwise monopolize the donated seed. Instead, agronomists at the University of Florida, Arkansas, and the USDA are striving to develop a variation of the Jasmine rice that could be grown in the United States. If commercially successful, US-bred Jasmine could supplant much of Thailand's \$1 billion export market not only to US gourmets but elsewhere in the world. Thailand is the world's leading rice exporter and its Jasmine aromatic rice commands a premium. Jasmine was bred and nurtured by Thai farmers from generation to generation and its market has become vital to the well-being of many farming communities in that country.

Research samples of Jasmine seeds are held by IRRI for safekeeping under a Trust Agreement with the United Nation's Food and Agriculture Organization (FAO, Rome). The Agreement prohibits intellectual property claims on any "in trust" germplasm. The Trust Agreement came into force in October, 1994. Jasmine rice was sent to the USA in December, 1995. "At the time of the release," says Hope Shand, Research Director at ETC group, "there were no standardized procedures. The unique material was included in a shipment of rice breeding lines and not directly from IRRI's gene bank. We have no doubt that IRRI's failure to obtain signatory agreement from the US not to patent was unintentional. Nevertheless, it was a violation of the Trust Agreement, and the researchers involved must take immediate action to make the MTA retroactive, which I understand they have agreed to do. Ultimately, however, signing the MTA and agreeing not to patent does not solve the problem. IRRI and US researchers must also explore tougher moral questions about the social and economic impacts of research that threatens to endanger the livelihoods of poor farmers, and how to confront these issues head-on."

Thai-phoon at WTO? The discovery of the Trust violation has rocked farmers and the government of Thailand and threatens to destabilize US-Thai relations. There are almost daily street demonstrations in

Bangkok and the local media coverage has been enormous and strident. In mid-September, the University of Florida unwittingly launched the controversy by issuing a news release extolling the potential for Jasmine rice production in the United States based on breeding work with the Thai jasmine rice varieties. The Thai Network on Community Rights & Biodiversity (BioThai), a well-respected civil society organization with an extensive history in addressing biopiracy and biosafety issues, brought the news to local farmers and the Thai government. BioThai has information that leads it to believe that at least some Jasmine germplasm was smuggled out of Thailand illegally. "By whatever means," Shand insists, "the reality remains. Thai farmers and the national economy are threatened."

The US-Thai conflict comes as the WTO is about to convene its biennial Ministerial meeting in Qatar (Nov.9-15). This is the world body's first major event since its debacle in Seattle in 1999. The intent of the Qatar gathering is to set a new global trade round. Agriculture ranks high on negotiators' menus. Many farm organizations will be in Qatar for the meeting and the Jasmine biopiracy is bound to score high on their agenda. Ironically, if WTO's current rules prevail, Thailand could someday be threatened with trade sanctions for not respecting patented Jasmine varieties derived from pirated Thai germplasm. In the new trade round being negotiated, nations must be given the full right under WTO rules to discriminate against patents covering pirated genetic material – including material transferred in violation of the Trust agreement.

Rice to Rome: News of the Jasmine incident has already wended its way through the corridors of FAO in Rome where governments are in the final negotiations of a legally-binding treaty that would make the patenting of material like Jasmine difficult or impossible. To be known as the International Convention on Plant Genetic Resources for Food and Agriculture, this treaty will establish rules under which research germplasm can move within the global scientific community in order to secure crop improvement and food supplies in the face of global warming and rapidly-changing agricultural environments and regulations. International public science bodies like IRRI – and their vast gene banks of more than 600,000 crop seed varieties – would come under the treaty. Because of this, IRRI's breach of its current Trust agreement with FAO is especially bad timing. In a rare departure from diplomatic protocols last month, the United States warned FAO that it wishes to re-open several agreed sections of the treaty and, contrary to its earlier position, is no longer prepared to share the financial benefits achieved through a free flow of scientific germplasm with the countries that provide the seeds. Further, the US wants the de facto right to patent any germplasm it receives so long as they undertake the relatively simple process of purifying and isolating the material. There are rumours that Japan is adopting a similar hard-line approach to the treaty. In view of the Jasmine incident and other scandals involving Japan, Europe and developing countries (the Group of 77and China) are even less sympathetic and many believe the Treaty is on a collision course with the Americans.

Poverty eradication? But the Jasmine case is forcing the scientific community to confront a wider issue. The central mandate of the world's international agricultural research centers, for example, is not merely to improve agriculture by means of science – it is, in fact, to eradicate poverty through improved food security by means of science. Whether or not protocols were followed, both the US Department of Agriculture and IRRI itself knew that America's acquisition of Jasmine germplasm could mean deep cuts in Thailand's \$300 million per annum export market to the USA as well as stiff competition for Thai farmers for the rest of their Jasmine exports to Europe and elsewhere. Far from eradicating poverty, the transfer of Jasmine to the USA would create poverty.

Tuber turbulence: This is no isolated event. A few months ago, the International Potato Centre (CIP), IRRI's sister institute in Peru, was obliged to surrender tubers of a potentially high-value industrial crop known as Yacon back to the Fujimori Government in Peru - knowing that corrupt officials there would transfer it immediately to Japan. Even as scientists in the Andes were struggling to develop the export potential for their native crop, the Japanese, with far superior resources, were preparing to undercut the

potential export market. The Potato Centre was helpless to do other than facilitate the piracy. At this point, CIP should write to the Japanese government, notifying them that the Yacon germplasm is subject to the Trust Agreement with FAO and, as such, it cannot be subject to intellectual property claims. Otherwise, rather than eradicating the grinding poverty of Andean farmers, the transfer will rob them of a regional treasure and an opportunity to alleviate their poverty. "If Japan wants to be part of the FAO treaty and be seen as good global citizens, it should voluntarily repatriate Yacon to the Andes as an act of goodwill," Silvia Ribeiro of ETC group insists.

Mandate monitors: International Agricultural Research Centres are meeting this week at the World Bank in Washington D.C. Confounded by their own structural and financial problems as public goods scientists in a world where the food supply is increasingly controlled by a handful of multinational companies, their consortia, the Consultative Group on International Agricultural Research (CGIAR) now has to wrestle with GM crop pollution, predatory patents, and the kind of moral piracies presented by Jasmine and Yacon. At the very least - Andean and Thai farmers might agree – the scientists should call for the trust violation to be immediately corrected and that the Consortia should push for poverty-creating research to be abandoned. Beyond that, the CGIAR should ask FAO to address the wider issues raised at the next meeting of its Commission.

For more information, please contact ETC group staff attending the CGIAR annual meeting in Washington, DC or at FAO meetings in Rome:

Hope Shand or Silvia Ribeiro in Washington, DC until 2 November: tel: 202 974-4079 Hope@etcgroup.org or Silvia@etcgroup.org

Pat Mooney or Julie Delahanty, in Rome until 7 November: tel: 39-06-575-0958 Etcgroup@etcgroup.org

ETC group International Office: (204) 453-5259

or contact The Thai Network on Community Rights & Biodiversity (BioThai):

tel: 6622952-7953

fax: 6622952-7371 biothai@pacific.net.th

The Action Group on Erosion, Technology and Concentration, formerly RAFI, is an international civil society organization headquartered in Canada. The ETC group (pronounced Etcetera group) is dedicated to the advancement of cultural and ecological diversity and human rights.