Grains Council, National Corn Growers Association Respond To Corn Concerns In Japan

ST. LOUIS, Mo. — Responding to the possible erosion of the U.S. corn export market in Japan, the U.S. Grains Council (USGC) and the National Corn Growers Association (NCGA) quickly launched a mission on Sept. 24 to address the concerns of the largest single customer of U.S. corn.

Japan usually imports more than 600 million bushels of U.S. corn annually.

"A tough, new law goes into effect in Japan on April 1, 2001, that sets a zero tolerance for the import of unapproved agricultural products," explained Ken Hobbie, president and CEO of the USGC, and the senior member of the U.S. team. "Under the new law, importers can face severe fines and prison terms for importing unapproved varieties of corn into Japan.

"The StarLink taco shell incident sent a shock through the Japanese corn import industry and raised concern about U.S. ability to comply with the new law.'

StarLink is currently not approved in Japan, and is also the only commercially produced variety of U.S. corn that is not yet approved

there. Approval in Japan, while independent of approval in the United States, has been held up pending further data from the life science company. Under the new law, importers can face severe fines and prison terms for importing unapproved hybrids of corn into Japan.

The taco shell incident to which Hobbie referred was the announcement on Sept. 23 that StarLink hybrids, containing a type of Bacillus thuringiensis (Bt) bacterium that controls European corn borer, was reportedly found in Kraft Taco Bell taco shells in grocery stores. StarLink hybrids are the only Bt hybrids not yet approved in Japan. Approval in Japan,

while independent of approval in the U.S. has been awaiting food use approval in the U.S. Kraft voluntarily recalled the taco shells and Aventis, maker of StarLink Bt, has withdrawn the hybrids from the market, pending final approval.

A high-level government/industry tag team representing U.S. corn growers responded to the Japanese concerns. In addition to Hobbie, the mission included Rick Tolman, executive vice president and CEO of NCGA: Isi Siddiqui, special assistant for trade to U.S. Secretary of Agriculture Dan Glickman; and Bernice Slutsky, science adviser in the USDA's Foreign Ag Service.

"The Japanese received us warmly because our presence demonstrated a swift and aggressive response to their concerns," said Tolman. "We didn't have all of the answers, but we provided enough information and specifics on how we are responding to the problem to help restore confidence in our ability to meet the pending market realities. Also, it reaffirmed our strong commitment to Japan."

The U.S. representative spent two days in intense meetings with Japanese government and industry officials detailing plans to channel StarLink into approved markets in the U.S. and keep it out of shipments to Japan. Discussions also focused on ways to avoid similar incidents.

The team met with the Japan Ministry of Health and Welfare (MHW); Zennoh (the largest co-op in Japan and single largest grain importer); Japan Ministry of Agriculture Forestry and Fisheries (MAFF); Japan Starch and Sweetner Industry; Japan Oilseed Processors Industry (corn oil); Japan Brewery Association; Japan Corn Foods Association; Japan Feed Trade Association; Japan Feed Manufacturers Association; and the local trade press.

"We were able to speak with nearly all, if not all, of the key groups that either regulate corn imports or import and use corn," said Hobbie. "Our meeting were valuable in restoring confidence in the U.S. corn supply. However, we will still need to continue to pay very close attention to the needs of our Japanese customers."

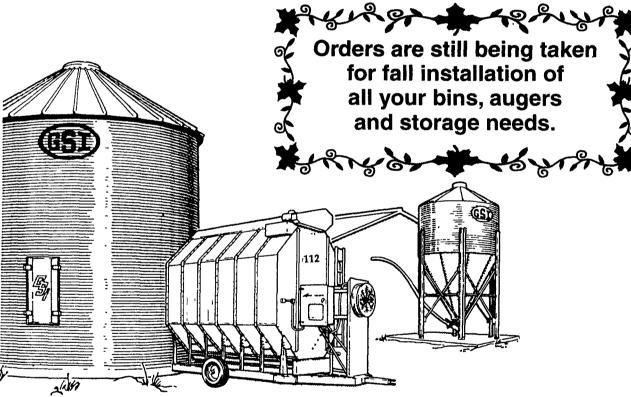


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