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Building, Risk Management and Emerging Issues in
Agricultural Biotechnology**

Presentations Proceedings

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APEC Agricultural Technical Cooperation Working Group
Sub-group on Research, Development and Extension of
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**SPEECH PRONOUNCED IN THE
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ON AGRICULTURAL
BIOTECHNOLOGY IN SANTIAGO,
CHILE**

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- Distinguished delegates from APEC Economies
- National Director of the National Institute of Agricultural Research (INIA)
- Authorities of the Ministry of Agriculture, Economy and External Affairs
- Leader of the Sub-group on Research, Development and Extension of Agricultural Biotechnology
- Ladies and Gentlemen

In the name of the Government of Chile I would like to welcome to our country all the participants of the 9th APEC Workshop on Agricultural Biotechnology. For our government, this is a unique opportunity to provide you and the economies of APEC, with information about the efforts that Chile has been making for the development and regulation of biotechnology in the last few years.

Our economy is that of a relatively small country, with 750.000 Km², of which only 24% is under cultivation. However, this small area contributes with 25% of Chilean exports, making agriculture the second largest export sector, after copper mining. Agriculture employs 18% of the labor force and contributes 4,3% to the gross domestic product (GDP), if one considers only primary production. If agroindustry is included, that is, primary agriculture products with added value, the contribution amounts to 16% of the GDP.

Our agriculture has achieved global recognition for the application of an “agroexporter” model of development. We have been particularly successful as exporters of fresh fruits, where Chile is an undisputed leader in the Southern hemisphere. To this we add the exports of forestry products, wines, and animal products such as dairy products and meat of fish, poultry, pork, and beef.

In recent years, the “agroexporter” model has allowed the agricultural sector to grow at a rate greater than the rest of the economy. This has been possible because the country has significantly diversified its agricultural exports and has increased notably the number of markets in which Chilean products are sold. The country has understood that to do this, the liberalization of trade is a necessity.

For this reason we now have free trade agreements with many nations of the world. Mentioning only the economies that participate in APEC, Chile today has free trade agreements with the United States, Canada, Mexico and Korea, and we are close to signing, in the next meeting of the Heads of State of APEC, a free trade agreement with the People's Republic of China.

In addition, we are negotiating a free trade agreement with New Zealand, Brunei and Singapore, which we hope will constitute a great stimulus to lay a bridge for commerce and investment between the South of Latin America and APEC. I would also like to make a special reference to a cooperation agreement in innovation, research and technology we have just reached between Chile and New Zealand.

As a result of all these, Chile currently occupies the 17th place among the world countries that export food products and we hope to be, in no more than 5 years, among the top ten countries in food exports.

This development strategy is made possible by a number of factors. First, we make use of the natural advantages that our country has for the development of agriculture: very stable and diverse climates generally free from climatic disasters such as frosts, hail, torrential rains, etc., which allows the cultivation of tropical, subtropical and temperate species. We have water available for irrigation, stored naturally during the winter in the mountains as snow, which allows us to use it during the periods when this resource is not available. Our particular geographic location, with the Pacific Ocean to the West, the Andes to the East, and the driest desert in the world to the North, allows us to maintain isolation that provides exceptional phyto- and zoo-sanitary conditions. On the other hand, Chile is a country with rich biodiversity: its flora has a high degree of endemism, that is to say that in the country there are over 5.000 species that grow mainly in our territory. Of these, more than 20% have known uses, as food plants, sweeteners, ornamentals, medicinal plants, dyes, sources of fiber, or they contain insecticides or fungicides. You may recall that of the 250 thousand species of plants that exist in the world, only 8 thousand are used by man and some 300 make up the basis of the global food supply.

Therefore, we think that our country's rich biological diversity should be used better, through domestication of new species or through the search for new uses for species already domesticated. To these natural conditions we must add the effort that the country has made in recent years to improve the infrastructure in its ports, highways, and facilities for storage and processing of agricultural products, that has made possible the commercialization of our products with a clear orientation toward quality, satisfying the growing global demand for products that are safer to eat and free of unwanted contamination. All these advances have allowed us, for example, to develop the salmon farming industry in less than 15 years, and put our country as the second salmon producing country of the world. In spite of all these advances, the Chilean economy up to now continues to be based mainly on direct exploitation of its natural resources with not much added value. So to be able to keep our growth rate, we must add value to our primary production.

We believe that biotechnology is an indispensable tool for this, and that its use will permit the production of new varieties of plants and improved races of animals, new methods of combating pests and diseases, novel techniques for conservation and transport of perishable products, innovative processes for elimination of toxins and byproducts of agriculture processing, new methods for transforming primary raw materials, and novel strategies to make better use of the particular biodiversity that our country possesses. For these reasons, the government is vigorously promoting the development of biotechnology, as a means of adding value to our exports. But we are also convinced that for the application and development of biotechnology to be possible, there must be adequate regulations that minimize the risks that biotechnologies may pose on the environment and human and animal health. I would like to point out that in Chile the release of genetically modified organisms into the environment is regulated and that currently some 8.700 hectares of transgenic varieties are cultivated under strict biosafety conditions, dedicated exclusively to the production of seeds for export.

Since these regulations only deal with the production of seed, we are preparing new legislation that will regulate the production of transgenic organisms for commercialization in the country, the importation and production of products of transgenic origin, and the development of these types of organisms in our own country. The new regulations will continue to require a rigorous analysis of risks and implementation of the appropriate biosecurity measures, which will be determined case-by-case, based on scientific information and in accord with the international agreements to which Chile is a signatory. In the meantime, Chile will continue to use the criterion of caution in relation to transgenic organisms. For an open economy like ours, whose agricultural dynamism is based on exports, this criterion implies, among other things, a continual evaluation of the negative commercial impacts transgenic crops may have on our exports. The incorporation of transgenic crops in commercial production in Chile should be gradual, ensuring the development of a mixed agriculture, in which organic, conventional and transgenic crops coexist.

In other words, the Government of Chile should guaranty that our farmers take advantage of all the commercial opportunities available, while guaranteeing respect for the environment and the health of consumers, for which it will promote the development of systems of traceability and transparency of information for consumers.

Therefore, I am pleased to inaugurate this meeting, given the importance that the economies that make up APEC have as commercial partners of our country, representing more than 80% our exports. We have closely followed the work of the Sub-group on Research, Development and Extension of Agricultural Biotechnology (RDEAB) and we have cooperated to the fullest extent possible to contribute to its success. RDEAB efforts have been focused, up to now, mainly on matters that deal with the regulatory environment, which is how countries face the challenge of using biotechnology in ways that are safe for both the environment and the consumers. Certainly this is a high priority task. If the consumers do not feel that biotechnology products are safe to consume and provide advantages in their use, it will be difficult for biotechnology to fulfill its promise to transform itself into a solution to the pressing problem of feeding the world.

It is precisely this, what has moved all countries and most international organizations to become concerned with this topic, and to deliberately established channels to analyze, discuss and regulate this subject. The Cartagena Protocol and the Codex Alimentarius are just two of the most relevant such channels. We have seen that most international organizations, of any type, have developed initiatives for the analysis and discussion of matters of biotechnological biosecurity, and the activities RDEAB group are no exception to this world-wide trend.

Since, as I have indicated, there are other channels for the discussion and analysis of matters related to biosecurity, we dare to propose that the agenda of this group for the next few years add other subjects that allow consolidating the biotechnological development as a shift in agriculture. In this sense, it seems that the collaboration in the use and development of biotechnologies applied to the agricultural sector should be a high-priority for the coming years.

Therefore, we invite you, in the work that begins today, to design a plan of action that includes matters like the creation of capacities, not only in the area of biosecurity, but in the development of capacities to use biotechnologies to provide solutions to the particular problems of each of our economies, through the creation of joint projects in the area of genomics, for example, or creating business forums where the academic sector and the private sector can exchange experiences that will make it possible to evaluate the development of joint initiative oriented toward obtaining concrete products that can be commercialized in our markets.

I would like to thank each of you for participating in this event. We know that many of you have had to interrupt your usual activities and travel a great distance to arrive at this corner of the world, which I hope offers good conditions for the development of your important activities. We are certain that the conclusions and proposals that emerge will be taken into account by the governments of the economies that participate in APEC, and we have no doubt that through active participation, with new ideas and the will to implement them, the activities of this work group will become more and more relevant for the future of our economies.

In finishing, I must say that I bring greetings from our Minister of Agriculture Mr. Jaime Campos Quiroga, who unfortunately could not be with us today, but who have asked me to deliver to you his warmest welcome.

Thank you very much.

