

**STANDING COMMITTEE ON  
ENVIRONMENT AND PUBLIC AFFAIRS**

**INQUIRY INTO MECHANISMS FOR COMPENSATION FOR ECONOMIC LOSS TO  
FARMERS IN WESTERN AUSTRALIA CAUSED BY CONTAMINATION  
BY GENETICALLY MODIFIED MATERIAL**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
FRIDAY, 31 AUGUST 2018**

**SESSION SIX**

**Members**

**Hon Matthew Swinbourn (Chair)  
Hon Colin Holt (Deputy Chair)  
Hon Tim Clifford  
Hon Samantha Rowe  
Hon Dr Steve Thomas**

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**Hearing commenced at 3.28 pm****Professor BERNHARD KOCH****Professor, University of Innsbruck, examined:**

**The CHAIRMAN:** Thank you for being with us today, professor. On behalf of the committee, I would like to welcome you to our meeting. For the sake of our records, could you please state your full name, your contact address and the capacity in which you are appearing before the committee today?

**Prof. KOCH:** My name is Bernhard Alexander Koch. My contact address is university of Innsbruck, Innrain 52, 6020 Innsbruck, Austria. I am participating in the capacity of a researcher who has contributed to the inquiry with an academic statement essentially based on research that I have done on this matter.

**The CHAIRMAN:** Thank you for that. These proceedings are being recorded by Hansard and broadcast on the internet. A transcript of your evidence will be provided to you. To assist the committee and Hansard, please quote the full title of any document you refer to during the course of this hearing for the record. Please be aware of your microphones, particularly since we are appearing via Skype, and try to minimise the amount of unnecessary noise made around them. I remind you that your transcript will become a matter for the public record. If, for some reason, you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public.

I will just do some introductions first for your benefit. I am the Chair of the committee, Matthew Swinbourn. To my left is our advisory officer, Alex Hickman; to his left is the Deputy Chair, Hon Colin Holt; and to his left is Hon Tim Clifford. To my right is Hon Samantha Rowe and to her right is Hon Dr Steve Thomas. Have you got an opening statement that you would like to make to the committee today?

**Prof. KOCH:** No. I just refer to the submission that I have made. I would like to perhaps highlight again that my knowledge on the details of the legal systems in Europe and beyond is primarily based on research that I conducted almost a decade ago, so I have not done any thorough in-depth analysis of changes ever since. However, I have done a quick survey of essential changes, but the prime part of my knowledge is based on that.

**The CHAIRMAN:** I appreciate you clarifying that for us. I suspect that you are infinitely more educated on these matter than us here, and that is why we are talking to you today. We have provided you with a list of questions that we intend to work our way through. There may be additional questions that arise from other members of the committee here and there may be new lines of inquiry that open up through the course of your evidence. We will try to stick with it for the sake of being clear, but just be wary that somebody might throw a question at you from a different angle. Could you please give us a brief overview of the EU legal framework governing the regulation of the coexistence of GM and conventional and organic crops?

**Prof. KOCH:** Strictly speaking, no, because the EU leaves that to the member states. It is a matter of subsidiarity, so each member state has its own rules on coexistence. However, there are some general rules that overlap this. First of all, the general admission of GM to the European market is monitored by the EU. So unless a certain GM variety has been green-lighted by the EU, you cannot

use this in any member state. That is the first barrier for GM cultivation, but then the actual coexistence rules, such as buffer zones and the like, are matters for the member states to decide. One change to that since my major studies on this matter was that there has now been a directive which required member states to provide for cross-border coexistence rules. That, again, is left to the member states and member states have acted upon that requirement. So there are at least several member states that have provided for specific cross-border problems of contamination, for example. Essentially, what they have done, as I have seen, is that they have provided for buffer zones also across their own national border because they want to avoid adventitious spreads of GMO in neighbouring countries, for example.

**The CHAIRMAN:** Can you give us an example or the states that that is most pertinent to, because, obviously, some of your EU states have significant physical barriers between them that probably serve as buffer zones anyway?

**Prof. KOCH:** That is the prime reason why that was left to the member states, because the directive itself says that you only need to provide for specific coexistence rules if there is no natural barrier, for example. If it is in a mountainous region, for example, and there is no way that the winds can blow in the other direction, that might be a problem. There is actually a list online of the member state implementation measures in alphabetical order, starting with the Czech Republic, Spain, Slovakia, Romania. I will just pick perhaps Spain as the example, because that is the member state where there is the most active GM cultivation probably in Europe, and that is the royal decree 364 of 2017. This royal decree says that where GMOs are cultivated on land bordering one or more member states in which this activity is prohibited, the appropriate measures shall be taken to prevent possible cross-border contamination. These measures shall be adopted by way of the orders of the minister for agriculture and so on, provided that a risk assessment report has already been submitted to the national biosafety committee. This goes on—it stays very open and essentially depends on a case-by-case analysis. It is for the minister for agriculture to determine the exact circumstances in the specific matter. The problem is, however, that Spain does not border, to my knowledge, any member state that has prohibited GMO cultivation, so this probably is not the most actively used royal decree.

**The CHAIRMAN:** Thank you for that. I think they also have the benefit of the Pyrenees, is it not, between them and a number of countries?

**Prof. KOCH:** Yes, exactly.

**The CHAIRMAN:** Alternatively, their neighbours have the benefit of the Pyrenees, given that you say they are the most active. I note you attached to your submission the conclusion and recommendations of the study you led from 2006 to 2007 analysing existing and potential liability and compensation schemes for damage resulting from the presence of GMOs in non-GM crops in all EU jurisdictions. For the benefit of the committee and our audience, could you briefly summarise these conclusions and provide commentary on the applicability to the focus of this inquiry?

**Prof. KOCH:** I actually did two large-scale comparative studies in this time frame that you mentioned, from 2006 to 2009. The first study is the one that concerns probably the prime focus of your inquiry, because the first study was limited to economic loss to neighbouring farmers, essentially; whereas, the second study focused on other losses, such as personal injury, property losses and environmental harm in the narrower sense. Now, the first study essentially was focusing on the question of whether there was a need for the EU to take legislative action to harmonise existing compensation schemes or regimes throughout the EU; and, if so, what this regime should probably look like. The study essentially looked at the national regimes in all member states and then compared those and then provided for conclusions in the direction of the question posed. The study came to the conclusion that, yes, there is a broad diversity of regimes throughout the EU,

starting from no legislative action whatsoever—so, jurisdictions left everything to existing tort law and other rules—up to the other side of the scale, with very massive legislative intervention with a radically different liability regime just for this particular problem. In addition to that, some member states introduced compensation schemes of various kinds.

The bottom line is that at the time, and probably still, all the member states had very different rules for coping with such losses. However, at the time, I came to the conclusion that there was no need for the EU to intervene despite these differences, because the reason for this diversity essentially was not technically an issue of tort law or any other liability regime, but primarily based on the national sentiment towards GMO cultivation. In jurisdictions where you have very active GM cultivation, such as Spain, the legislative solution is essentially nothing; they left it to, and they still do leave it to, traditional tort law. Whereas, in jurisdictions such as my own, Austria, which is very hostile to GM, we have a very strict liability regime, a statutory special regime, which essentially flags to potential GM farmers: “Don’t even think about it!” So our liability regime is even stricter than our nuclear liability regime. But this is not a problem of tort law; it is a problem of the public and political sentiment towards GM farming. My message to the EU at the time was that even if you come up with a harmonised regime throughout Europe, you will not change the national sentiment and they will come up with a way to work around this. Also, of course, I had strong doubts whether there is a need for harmonisation, simply because agriculture is basically linked to land and there is not much cross-border cultivation from farmers. So the biggest fear, of course, on the EU level, or the question of whether or not to harmonise law, is basically triggered out of fear that the common market may be affected. But in this case, where there is little cross-border activity, there is obviously also little cross-border problem in that respect.

[3.40 pm]

**The CHAIRMAN:** Would you put the Danish system in a similar category to the Austrian system in terms of compensation?

**Prof. KOCH:** No. The Danish system is completely unique in that respect, or at least was at the time. I tried to find the current solution to that. The website of the respective ministry page has been removed and I could not find it despite the help of my Danish friends. I suspect that the compensation fund that they introduced may be moot in the meantime. The Danish solution essentially was—obviously, the Danish government was not that hostile towards GM farming, so they came up with a solution to promote GM cultivation by introducing a compensation fund regime. Essentially, the compensation fund is linked to GM farming. The fees collected are based on the size of the land. I think it was €13 per hectare of land that had to be paid into the fund. The important thing is that should the fund not have sufficient moneys in it, the state would provide a backup for that. The fund only covered adventitious presence—accidental cross-fertilisation and so forth—not, for example, problems linked to negligent behaviour of GM farmers. At the time that I came out with these studies and actually, also, a few years later when I gave a presentation in Seville in, I think, 2012, I talked to my Danish colleague who had participated in some of my research. He said that at the time—we are talking about six years ago—the fund’s fund was €10, because there was only a small piece of land where a test zone was erected and that was the only land that applied to the compensation fund. Basically, he said he carried the funds with him all the time.

**The CHAIRMAN:** Just to let you know, we have spoken earlier today to the Ministry of Environment and Food of Denmark. They confirmed with us there was no money in the fund because —

**Prof. KOCH:** That was my impression.

**The CHAIRMAN:** And they have not got any GM crops and, therefore, there has not been a single claim against their compensation scheme, which is probably where I was coming from with my

question, because since the introduction of their scheme some years ago, they have not had any GM crops, so whilst it exists, it just has not done any work.

Our next question at 1.3 of the ones that we provided to you is: are you aware of any significant developments since the publication of your studies? It follows up that you can inform the committee about things such as the setting up and operation of GM compensation schemes in EU countries.

**Prof. KOCH:** There have been some changes to EU and national legislation regarding coexistence and, in a very broad scale, probably the most important change was—I think it was in 2015—that member states are now free to, essentially, block GM farming. That was different at the time that I did the survey. Now there is no longer a need for Austria, for example, to have such strict rules even though, of course, we have maintained them, because Austria is simply a GM-free zone. That was not permissible at the time. However, as far as I know, no further compensation schemes have been introduced, perhaps also in light of the experience of Denmark in this respect. The money that I mentioned before from Denmark is coming from a test field—an academic research site—so there was no economic farming. The problem is I think there was no need for any changes because the public sentiment towards GM has not changed. For example, in the case of Denmark, I presume their prime market that they are targeting is Germany beyond their national borders and there is equally in Germany, despite the fact that they do have cultivation, I think that the public sentiment is primarily against GM products. I think it was just not economically worthwhile to pursue this. That is probably also the case in most member states. In the case of Spain, also there, I think, there has been no change in public attitude and GM farming. For the time being, we are talking about Mon 810 only, which I think is still the only crop admitted for commercial cultivation. As far as I know, Spain has about 30 per cent of maize production GM. I think that has not changed, but the public attitude in Spain has not changed either, so there was no need to come up with solutions. However, already at the time that we did the survey and presumably still, there are, of course, interest groups of organic farmers that are hostile to the existing regime, but to my knowledge that has not had any effect on actual legislation.

**The CHAIRMAN:** I presume that you are aware of the Western Australian case of *Marsh v Baxter*, where the plaintiff was unsuccessful in his claim for compensation for economic loss caused by the GM canola contamination from the neighbouring property. The committee understands this case, to date, is the only Australian case or decision where such a claim has been made. From this, we have had a number of submitters make points arising from this, saying that the existing common law provides sufficient coverage for damage by GMOs and that a single case is not sufficient to draw a conclusion that common law remedies are inadequate to compensate GM farmers. Obviously, that pertains to the Western Australian and Australian circumstances. Given your familiarity with tort law throughout Europe as well, what is your response to these kinds of comments about the common law and tort in particular?

**Prof. KOCH:** Technically speaking, any legal system provides for coverage for any damage by GMOs, but it just might not be the solution you like. We all have some sort of tort regime and, of course, the common law systems have their own approach to that. You have your laws of nuisance. You have your law of negligence and so forth, so there are solutions but, of course, they may not be litigant friendly. I think that is the prime problem here—the attitude looking at the solution and the outcome of these. There is always a solution, but it may not be the one you like. In the case of *Marsh v Baxter*, I have only read the summary that I could find online that was provided by the court. As I understood the case, probably the crucial problem was that the Marsh family lost their organic certification due to an error of the certifying body, so the prime cause of their actual loss was probably not attributable to the Baxter farm. That may have had an impact on the outcome perhaps.

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**The CHAIRMAN:** Are you aware of any recent cases in Europe and elsewhere that have dealt with similar facts to those in the Marsh case, perhaps not with the organic decertification issue that he faced? What were their outcomes and how might they be able to inform this inquiry?

**Prof. KOCH:** I am not aware of any such cases. The only possible place where this could have been taken place would have been Spain. I know that there were some efforts at the time already to take court action against GM farming or the consequences thereof. The problem at the time that we did the survey, and probably this is still the prime problem, as far as conventional farming is concerned, there was no actual economic loss because the price for GM and non-GM maize was the same. There was no reason for coming to an economic loss scenario. I know that there has been some problem with an organic farmer in Spain, but I have not been able to trace down the outcome of that problem. I know that there was an initial court proceeding. They may have settled the case, but I could not find the actual outcome of that.

**The CHAIRMAN:** Talking about compensation funds, just from your point of view, what are the types of possible losses, both economic and otherwise, that a farmer might suffer as a result of GM contamination that you envisage they would or could be able to reclaim under a compensation fund, and why? For your context, this is for the committee to get an understanding that if such a thing is considered, to think about what the outer limits of such a fund should compensate for. In your learned experience, what do you think would be reasonable and appropriate in such circumstances?

[3.50 pm]

**Prof. KOCH:** The most obvious losses, as I have already indicated, are price differences, essentially. If there were a price difference between GM and a conventional crop, for example, that may obviously be a potential loss, even more so in the case of organic versus GM. In addition to that, of course, there may be economic losses related to the cost of testing. For example, your buyer may doubt the purity of your crop and require you to conduct testing even though there is no actual mixture yet, or your distributor may require you to come up with proof of non-contamination, and that of course raises costs. In addition to that, if there should have been an adventitious presence of GM on your conventional organic farm, there are, of course, expenses for re-certification, for re-entering the market. Even if you decide to switch to GM farming, you may have other expenses, for example, to enter that new market.

**The CHAIRMAN:** You refer at paragraphs—we are being quite specific here—156 and 157 in the second attachment to your submission, headed “Damaged caused by genetically modified organisms” that the lack of experience with GMOs and the lack of clarity with respect to the application of liability standards at the moment still seems to prevent insurers from offering a range of suitable products. There has been a range of views given in evidence to this inquiry about the usefulness of insurance as a means of compensating any GM contamination of non-GM crops. Some have stated that multi-peril crop insurance may be one solution. Do you believe, since the completion of your study, that circumstances have changed to justify insurance offering suitable products to cover GM contamination; and, if so, why?

**Prof. KOCH:** I was a little bit hesitant at the time to believe insurers in their claims because they obviously argued with respect to the domestic market, but of course there is experience worldwide from potential GM contamination and there were cases in Canada, for example, already at the time. There have also been issues in the US. Again, of course, the insurers kept coming back with the response, “Well, that’s a completely different geographic environment, so we don’t know to what extent there is actual contamination. Most member states have rather extensive buffer zones so we don’t know how this impacts on the actual risk.” The insurers simply did not want to underwrite the risk. As far as Europe is concerned, I do not think that things have changed because I have not seen

the market exploding ever since. There has been some little, insignificant growth in GM cultivation but not dramatically, so the statistical data that insurers have does not seem to have changed much since I did the study. However, of course, I did not have the possibility to inquire with the insurers whether they are now offering that. As far as multi-peril insurance is concerned, there was—I think it was in the UK—a plan to include that in your regular farm insurance package. It did not actually work out at the time. I am not sure whether this has changed in the meantime, but that, of course, is one way to address the issue. One of the problems was that perhaps the biggest promoters of that solution were GM-friendly companies—Monsanto and companies—and that probably raised the suspicion of those affected that this should be a good solution. The problem is that, in the case of multi-peril insurance, we are talking about first party insurance, so the non-GM farmers were basically questioning why they should pay into a scheme that they finance themselves for losses that are caused by others. That, of course, makes sense but then again, that is a very fundamental question of whether first party insurance is a useful tool to cover third party risks. In some cases, it may be, but it is politically difficult to promote that for the reasons that I have, I think, explained.

**The CHAIRMAN:** I appreciate that. The committee would welcome your commentary on the following views, which have been expressed in some submissions to our inquiry. The first of those is that a number of farmers who have made submissions to this inquiry state that they grow GM and non-GM canola—actually I am not going to ask that question; I am sorry.

The committee has received evidence from some submitters that a zero tolerance for organic standards is unreasonable and is driving confrontation over the mixture of GM and non-GM crops, pointing to maximum permitted levels of other substances in food. Also, some submitters have stated they believe the issue of GM contamination in Australia has become a contentious issue due to the organic standards being too tight. What is your position on these statements?

**Prof. KOCH:** This is a matter that goes beyond the compensation question, of course; that is simply a political issue. We have had similar arguments here in Europe. Organisations such as Greenpeace and others have argued essentially the same in Europe and the GM farmers and the GM interest groups have argued the opposite. They have said exactly the same; they said that the standards are too tight and this basically prevents GM farming. I am not in a position to argue whether this is a politically useful solution or not because that is simply a choice to be made by the market, so I do not think I can provide useful information on that.

**The CHAIRMAN:** That is okay. Do you have any suggestions on the issue of the divergent views on tolerance levels; that is, whether it should be zero or 0.9 per cent? If so, how might we overcome these divergent views to reach consensus to enable a clear way forward on determining what constitutes reasonable economic loss due to GM contamination?

**Prof. KOCH:** One of the problems we had at the time we did the survey and it is probably still a problem was that we had the 0.9 per cent threshold as well, but the problem was and presumably still is that the market requires tighter standards already. So we have had complaints by GM farmers and also conventional farmers that they have to prove even less of a mixture and the problem is that the market seems to basically tighten the screws here. So the threshold is one thing, but it is always only a maximum threshold and the market basically impacts upon that. Then the question arises, of course: if your market wants a lower threshold, is that loss compensable or is it just a problem that you have because of your contracting partner?

**The CHAIRMAN:** Some submitters have asked that if a compensation scheme was introduced for GM contamination, whether there would also be justification for all sources of contamination—I am not sure if your studies touched on this—including weed intrusion, which some have submitted over here is a problem arising from organic farms that do not manage their weed control very well.

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**Prof. KOCH:** That was, of course, also an issue discussed, when I talked to colleagues, particularly from the industry at the time. However, as you said, that was not the prime focus of my study, but this basically relates back to the multi-peril issue. This time, however, it shifts into the third party liability issue. There have been arguments that if you come up with a compensation scheme for GM contamination, you might just as well add to the package other risks coming from neighbouring land, but, to my knowledge, that has not been introduced within Europe.

**The CHAIRMAN:** The last point—I think you may have already covered on this particular one, which is in relation to the effect of the introduction of compensation schemes in terms of essentially preventing, in some instances in the EU, such as Austria, the introduction of genetically modified crops. The original part of the question is about the impact of compensation schemes stifling agricultural innovation. Do you hold a view about the impact of such schemes having that effect—that they stifle innovation in agriculture?

[4.00 pm]

**Prof. KOCH:** It may have that effect. It depends on the construction of the regime. There are various options. As far as Denmark is concerned, for example, that is the only jurisdiction where you have an actual experience in that respect. I do not think the reason for the lack of GM cultivation is the fact that they have a compensation scheme. Equally, as you could see, it did not promote GM farming. I think it is the market that has the stronger power here and not so much the liability regime, which is just the effect and not the cause of the developments on the market. I do, of course, concede that a very strict liability regime does have a deterrent effect and it can be designed in a way that it does have a deterrent effect. In the case of Austria, for example, this includes a reversal of the burden of proof, so it is not just strict liability. You, as the GM farmer, have to prove that it was not your farm that was the cause for that contamination, which of course is a proof that is hard to be fulfilled. It depends on the design of the regime, essentially.

**The CHAIRMAN:** We provided a document to you where we put these questions to you—the principles of farmer protection legislation. Did you get that document?

**Prof. KOCH:** Yes.

**The CHAIRMAN:** And did you have a chance to review it?

**Prof. KOCH:** Yes.

**The CHAIRMAN:** What are your views on the principles that are espoused in that document?

**Prof. KOCH:** This is one way to address this issue, of course. I am in no position to put this into the perspective of the Western Australian market. This is one way to address the problem, obviously. Whether or not this is something that your market and your constituency is willing to accept is beyond my assessment. I think it is a victim-friendly regime, but there are some points in there which are a little bit too away for me to put this actually into comparison with any existing regime that I am aware of. There are several points which are very generally phrased. It really depends on the details of how you design that regime based on those principles, if there should be possible agreement.

**The CHAIRMAN:** Did you get the impression that its purpose was to essentially have the same sort of effect that the Austrian system has, which is to make —

**Prof. KOCH:** The Austrian system is much stricter. You may have come across this even though, in my comparative report, I did not go into the details of it: in Germany, there was temporarily a regime called the Märka model. This was in the eastern part of Germany where there were some farmers who tried to introduce GM farming. In this case, the distributor of GM products, together with producers, certainly with Monsanto and I think also with Pioneer, teamed up and they offered



essentially a package solution for farmers who wanted to try out GM farming. The way that they designed this was that they offered to buy all crop within a certain range that were neighbouring GM farms, so that the neighbouring farmers essentially were safe to know that even if there was contamination, they would still be able to sell their produce at a predetermined price. The Märka model basically offered to buy the entire crop of the non-GM farmers for the conventional price. They basically undertook the risk that the produce from those fields was contaminated, and they were also offering to test this produce on contamination. The idea, of course, behind this was to promote confidence in GM farming and show that there is no actual risk if you remain outside of the buffer zones. However, the Märka model was discontinued shortly after it was introduced simply because it could still not promote GM farming in the region to the extent that they had hoped. If you design a regime that is GM-friendly, it may equally not have the effect that you desire. It really depends on the market. I presume if the Austrian public were the exact opposite—if they were extremely in favour of GM production, and I can assure you that they are not—the existing strict liability regime would perhaps not be the prime obstacle against GM production. The farmers would simply take that risk, as long as they know that they can basically sell their produce. If they have a market for that, they will take the risk. There would be insurers coming onto the market to jump on that wagon. The liability regime can do only so much with respect to either promoting or hindering GM production. It is one stone in the wall. Of course, the harsher you design it, the more likely you are to deter. But I do not think that the liability regime or the compensation regime—whatever you come up with—will be the only reason why you promote or deter.

**The CHAIRMAN:** I appreciate that response, professor. Within those principles is a suggestion of a levy. Regarding a funding of a proposed levy, do you have any views about how such funds should be collected—either through taxpayers or the GM industry? Did you form a view from your previous studies what might be a best model in those circumstances?

**Prof. KOCH:** From my experience in Europe at least, I doubt that taxpayers would be willing to pay that. That would basically create an uproar, I think. But, then again, this is because GM cultivation so far is a niche market in Europe. There is always the problem—I think I have also spelt it out in my comparative reports—that no matter what special system you can come up with, this will always trigger the problem that this may be an issue of equality, because why should this risk be favoured legislatively over other risks? There are other agricultural risks, for example, that are not addressed by a special liability regime. You mentioned before the weed contamination issue. If you do not include that in that regime, those affected by this risk will ask, “Well, why was my problem not addressed by a special compensation regime? Why don’t taxpayers pay for my risk?” Or, I do not know, the current heatwave for example in Europe, where basically the grass production has essentially gone down to zero. I assume that if you come up with a regime where taxpayers pay into the fund, you will have a hard time explaining to the taxpayers why only this specific risk is covered by the compensation scheme. It is a question of, again, whether the general public is willing to contribute to such a regime, promoting, essentially, a technology that is viewed in the general public in one way or another. As far as contributions by the industry is concerned, of course, I think I already mentioned that in the Danish case, the farmers are the ones paying that. In the Märka model, you have participation by GM technology—biotech companies, essentially. In the case of Denmark, there was, at least temporarily, a vow by the state to back up the system at least initially, until the market can come up with a solution. It really depends on what you perceive as politically viable. I think, however, at least my experience from Europe was, that if a legal system should decide to come up with a special compensation regime, it may be perhaps only a temporary regime and you basically test what effect that has. In the case of Denmark, you can see that they tested it extensively over several years, but it has shown no effect on the market because the market

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was not ready to jump on that technology. Therefore, there is no experience, in Denmark at least, for insurers to recalculate their risk assessment.

[4.10 pm]

**Hon COLIN HOLT:** Thanks doctor for joining us. I do not know how much you know about Spanish agriculture but what GM crops do they grow there?

**Prof. KOCH:** Maize—MON810. That is the only one that is allowed for cultivation in Europe so far.

**Hon COLIN HOLT:** That is as a stock feed? Is that for human consumption or stockfeed?

**Prof. KOCH:** As I understand, it is stockfeed.

**Hon COLIN HOLT:** Do they export that to other European countries?

**Prof. KOCH:** I think so.

**The CHAIRMAN:** Are you familiar with the Portuguese compensation scheme?

**Prof. KOCH:** No. I know that it has been designed at the time but I have not inquired about any recent changes, so I dare not respond to you on the Portuguese system because I simply have not updated my knowledge on that.

**The CHAIRMAN:** That is fair enough; I appreciate your candour.

**Hon COLIN HOLT:** Do they grow GM in Portugal?

**Prof. KOCH:** Not that I am aware of, but they may have started in the meantime—well, not commercially at least. At least on the website of the EU, Portugal is not listed as a commercial site. Of course, we have academic sites where we have test zones and so forth but that is a different story.

**The CHAIRMAN:** This is a bit of an out-there kind of question. I am asking you only because I think you are much closer than I am, but does Russia and their former Soviet republics grow much GM products that you are aware of?

**Prof. KOCH:** I am not aware of any of that.

**The CHAIRMAN:** Okay, thanks. Professor, we really do appreciate you making the time today to participate in our committee over here on the other side of the world. I shall just go through the last lot are formalities here. Thank you for attending today. A transcript of this hearing will be forwarded to you for correction. If you believe that any corrections should be made because of typographical or transcription errors, please indicate these corrections on the transcript. If you want to provide additional information or elaborate on particular points, you may provide supplementary evidence for the committee's consideration when you return your corrected transcript of evidence. We thank you very much once again for being here. Hopefully, one day, you will come and visit us in sunny Western Australia.

**Prof. KOCH:** I will consider that.

**The CHAIRMAN:** Thank you very much.

**Prof. KOCH:** Thank you. Bye.

**Hearing concluded at 4.13 pm**

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