

+ China delays GMO rice but raises biotech budget

By Nao Nakanishi-- HONG KONG, Dec 6 (Reuters) - China delays GMO rice but raises biotech budget

China, the world's top rice producer and consumer, has again put off a plan to allow farmers to grow transgenic rice even as it raises its biotechnology budget for the next five years.

The move follows concerns in Europe and other countries when unsanctioned GMO rice was found in a U.S. shipment to Europe in August, prompting Europe to introduce tough new testing of the grain from the United States.

Chinese scientists and industry officials said the dispute, which is costing U.S. farmers millions of dollars, has highlighted the importance of a robust regulatory system that measures and assesses food safety in every country.

While China is determined to stay on top of biotechnology, it is not quite ready to become the world's first to commercialise GMO rice. China looked close to introduce the rice early in 2005 but has been dragging its heels.

The officials said the bio-safety committee -- which examines the safety of genetically modified crops for the government -- had sent back transgenic Bt rice for more testing at its bi-annual meeting last month. While Bt rice has emerged as the top candidate for the first commercial production of such a kind, it is likely to take another year or two before Beijing will allow large-scale production of the insect resistant rice, they said.

"China does not want to be the first. Should something go wrong, it has to take the responsibility," said Chuk Ng, food scientist and managing director of Nutrogen (Dalian) Ltd., a specialist in organic food and food testing.

"In regulatory management and risk assessment experience, China is far behind foreign countries, like Europe or America The government is aware of this," said Ng.

Beijing has still not approved Xa21 rice, which is spliced with a gene from a wild rice and not from other species, which is considered less risky than Bt rice. And this despite a recommendation by the committee two years ago.

The scientists and officials said the bio-safety committee had examined in detail the safety of Bt rice -- which contains a bacterial gene toxic to pests -- for human health and the environment. While Bt cotton and Bt corn have been planted for years in many countries, special caution is required for rice, they said. It is consumed directly by humans everyday. It is also grown next to wild or weedy species.

"We discussed it very heavily. But there are safety concerns. We feel more information should be collected," said Lu Baorong, a rice gene expert from Shanghai Fudan University and a member of the biosafety committee.

"My personal feeling is that it takes at least one or two years because they need to collect data," he told Reuters when asked for a time frame on Beijing might approve Bt rice. In the meantime, the government still plans to raise its budget for biotechnology in the next 5-10 years, with nearly \$1 billion earmarked for one project on GMO crop varieties alone, the scientists and officials said.

Although details of the draft budget were not available, it included biosafety issues, they said. Beijing is also considering how best to improve its regulatory systems, encouraged by concerned trading partners, such as Europe and Japan.

"China considers biotech as an important technology for the future, which can help increase China's agricultural productivity," said Jikun Huang from the Chinese Academy of Sciences. "I expect money going in there to increase by 20-30 percent," said the director and professor from its Centre for Chinese Agricultural Policy.

Dayuan Xue, professor and chief scientist on biodiversity and biosafety at Nanjing Institute of Environmental Sciences, added: "The trend is that the government promotes GE rice. It is to put much more money in GMO research.

"The government is also considering improving regulatory systems ... If they are to allow GMO rice in large areas, they need strong regulatory measures," said Xue, who also works for Central University for Nationalities in Beijing.