Rising Regulatory Burden and Cost Risk Impacting the Global Food Supply

New study demonstrates that time and cost of bringing a biotech crop to market has risen dramatically in the past decade

7 November 2011 – In the past decade the amount of time and resources to bring a new biotech crop to market has peaked at over 13 years and US$136 million according to a new survey released by CropLife International and Phillips McDougall, a global business research organization. The first ever survey of the six major biotech crop developers, measured the time and cost of this process and examined the long and intricate path a new biotech crop must navigate in order to move from the laboratory to the marketplace and finally to a farmer’s field.

Phillips McDougall found that the longest and most costly phase of the product development timeline is the regulatory and authorization phase. The survey also found that the time for a new product to receive regulatory authorization has increased 47% since 2002. This increase in time and cost runs the risk of slowing the innovation cycle to a point where farmers cannot get the technology they need in order to improve productivity in a sustainable way, especially when the world demand for food is on the rise.

“Last week, the United Nations estimated that the seven billionth person was born — this further increases the pressure on farmers to meet world food demands and help reduce food price volatility,” said Denise Dewar, Executive Director for Plant Biotechnology at CropLife International. “This survey illustrates the potential risk to innovation and the availability of new seed technologies that can help increase much needed productivity. What’s more, the increasing regulatory costs and burdens are potentially having a negative impact on important research being conducted by public institutions and small-to-medium-enterprises. The plant science industry encourages governments to revisit their regulatory requirements and determine if there are ways to maintain product safety and efficacy, while ensuring farmers have timely availability to new products and agricultural tools.”

The survey reports that prior to 2002, companies spent about four years working with governments to ensure products met regulatory requirements. Today, despite 15 years and over three billion acres of biotech crops being grown without a single incident, companies now devote over five and a half years to meet all environmental and safety hurdles. With this rising regulatory challenge and increased time, companies are now investing more than ever in the process. For a crop introduced between 2008
and 2012 it will cost approximately $136 million dollars and an average of 13 years before a seed is ever planted in a farmer’s field.

“Biotech seeds have added over 64 billion dollars in value to the global farming community since introduction, with over 50% going to developing world farmers,” explained Dewar. “For innovators to continue to provide benefits to farmers through new technologies such as drought resistant crops, governments must ensure efficient regulatory regimes that both protect safety and offer a streamlined process for providing farmers with technologies that can help increase production and improve their lands and livelihoods.”

To learn more about and download the study, visit www.croplife.org.

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Note to Editors:
CropLife International is the global federation representing the plant science industry. It supports a network of regional and national associations in 91 countries, and is led by companies such as BASF, Bayer CropScience, Dow AgroSciences, DuPont, FMC, Monsanto, Sumitomo and Syngenta. CropLife International promotes the benefits of crop protection and biotechnology products, their importance to sustainable agriculture and food production, and their responsible use through stewardship activities.