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Item 13 of the provisional agenda*

Socioeconomic considerations

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Note by the Secretariat

I. Introduction

1. In its decision CP-9/14, the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety took note of the guidance on the assessment of socioeconomic considerations in the context of Article 26 of the Cartagena Protocol on Biosafety, as contained in the annex to document CBD/CP/MOP/9/10, and extended the mandate of the Ad Hoc Technical Expert Group on Socioeconomic Considerations to supplement the guidance on the basis of information submitted on preliminary experiences in using the guidance, as well as examples of methodologies and applications of socioeconomic considerations in the light of the elements of the guidance.
2. In its decision CP-10/12, the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol took note with appreciation of the intersessional work that had been carried out by the Ad Hoc Technical Expert Group and, recognizing that limited time had been available to make use of the voluntary guidance, invited Parties, other Governments, relevant organizations and other stakeholders, as appropriate, to use the guidance and submit their experiences to the Executive Secretary, as well as examples of methodologies and applications of socioeconomic considerations in the light of the elements of the guidance.
3. In the same decision, the Conference of the Parties serving as the meeting of the Parties to the Protocol requested the Executive Secretary to contact those Parties that had indicated in their fourth national reports having: (a) specific approaches or requirements that facilitated how socioeconomic considerations should be taken into account in decision-making on living modified organisms; or (b) taken into account socioeconomic considerations arising from the impact of living modified organisms on the conservation and sustainable use of biological diversity, and invite them to share information on their experiences, as relevant to Article 26. It also requested the Executive Secretary to compile the information thus gathered and submit an overview for consideration at its eleventh meeting, with a view to determining the need for further work.

* CBD/CP/MOP/11/1.

4. The present document contains a synthesis of the information gathered (sect. II), with a more detailed summary provided in the annex, and a draft decision (sect. III).

II. Synthesis of the information gathered in response to decision CP-10/12

5. Further to paragraph 3 of decision CP-10/12, the Acting Executive Secretary, through notification No. 2023-133 of 11 December 2023, invited Parties, other Governments, relevant organizations and other stakeholders to submit information on: (a) experiences in the use of the voluntary guidance; and (b) examples of methodologies and applications of socioeconomic considerations in the light of the elements of the guidance.

6. By the time of the submission deadline (15 January 2024), submissions had been received from three Parties and one organization.¹

7. Further to the request to the Executive Secretary summarized in paragraph 3 above, letters were sent in June 2023 to the 73 Parties to the Cartagena Protocol that had responded positively to question 162 or 163 of the fourth national report (“Does your country have any specific approaches or requirements that facilitate how socioeconomic considerations should be taken into account in living modified organism decision-making?” and “In the current reporting period, have socioeconomic considerations arising from the impact of living modified organisms been taken into account in decision-making?”, respectively).

8. In the letters, Parties were invited to share information on their approaches and experiences by submitting any relevant information and documentation in this regard, including methodologies applied and reports of socioeconomic assessments carried out. Twenty-eight Parties provided information in response to the letters. An overview of the responses received is provided below, while the full text of the responses is available online.²

9. It appears from the information submitted in response to notification No. 2023-133 and to the letters that regulatory approaches for the consideration of socioeconomic impacts vary and usually introduce a fairly generic obligation or right to assess socioeconomic impacts. Several Parties have taken legal measures to regulate socioeconomic assessments and developed further approaches, including assessment criteria and procedures, that guide the socioeconomic assessment. In many cases, the criteria are focused on economic aspects, such as economic costs and savings associated with the introduction of the living modified organism. They address, for example, the cost of purchasing genetically modified seeds, savings in agricultural inputs and labour, impacts on yield and spoilage, and effects on market access. The cost of coexistence measures and, in some cases, the effects on trade, are also considered. Social aspects that are to be considered as part of several assessment approaches include food security, nutritional aspects, consumer perception and freedom of choice, technology transfer and capacity-building efforts undertaken for the benefit of local institutions. Other elements considered in socioeconomic assessments include intellectual property rights and farmers rights. In addition, some Parties indicated that they considered cultural, ethical and, in some cases, religious aspects as part of the assessment of socioeconomic considerations.

10. Some Parties described how their approach to socioeconomic assessments was in line with or incorporated elements of the voluntary guidance on the assessment of socioeconomic considerations in the context of Article 26 of the Cartagena Protocol. One Party explained that its approach to socioeconomic assessments was broader than that envisaged under paragraph 1 of Article 26, as it considered the socioeconomic impacts of living modified organisms in general, and not just socioeconomic considerations arising from the impact of the living modified organisms on the

¹ See www.cbd.int/notifications/2023-133.

² See bch.cbd.int/onlineconferences/portal_art26/Activities2023-2024.shtml.

conservation and sustainable use of biological diversity. Many examples described in the submissions either did not explicitly mention the guidance or predated their development.

11. Some Parties provided information on procedural aspects of socioeconomic assessments. In many cases, consultations of the public and stakeholders were central to the assessments, as was the engagement of indigenous peoples and local communities. Some Parties described how they involved socioeconomic experts.

12. Several Parties carried out socioeconomic assessments when taking decisions on living modified organisms. In many such cases, the socioeconomic aspects on which the assessment was focused were predominantly related to economic aspects, although accessibility of the technology, nutritional aspects and religious beliefs were cited as having also been considered. This may indicate that the assessment of social criteria may be more challenging than the assessment of economic factors.

13. Several Parties indicated that, although methodologies for conducting socioeconomic assessments were available, data availability was a constraint and more work was needed in this regard. Other mentioned constraints included the late stage in the development process at which socioeconomic impacts were considered, the limited number of socioeconomic experts with knowledge of biotechnology and biosafety, the lack of clarity on thresholds for approving or rejecting applications on account of socioeconomic considerations and meaningful ways for involving local stakeholders in the assessment process.

III. Draft decision

14. In accordance with paragraph 5 of decision CP-10/12, the information provided above is intended to facilitate the determination of the need for further work and, in this light, the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol may wish to adopt a decision along the following lines:

The Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety,

Recalling the guidance on the assessment of socioeconomic considerations in the context of Article 26 of the Cartagena Protocol on Biosafety³ taken note of in decision CP-9/14 of 28 November 2018,

Recalling also decision CP-10/12 of 10 December 2022,

Recalling further Goal A.9 of the implementation plan⁴ and the capacity-building action plan for the Cartagena Protocol,⁵

1. *Welcomes* the information shared on experiences in the use of the voluntary guidance, examples of methodologies and applications of socioeconomic considerations in the light of the elements of the guidance,⁶ while recognizing that limited information was submitted in this regard;

2. *Also welcomes* information shared by Parties on approaches and requirements for socioeconomic considerations and regarding experiences in assessing socioeconomic considerations further to the responses provided in their fourth national reports;⁷

3. *Invites* Parties, other Governments, relevant organizations and other stakeholders, as appropriate, to use the voluntary guidance and share their experiences in this regard in the fifth national report or to make such experiences available in the Biosafety Clearing-House virtual library;

³ CBD/CP/MOP/9/10, annex.

⁴ Decision CP-10/3, annex.

⁵ Decision CP-10/4, annex.

⁶ Available at www.cbd.int/notifications/2023-133.

⁷ Available at bch.cbd.int/onlineconferences/portal_art26/Activities2023-2024.shtml.

4. *Requests* the Executive Secretary to synthesize the information provided in the fifth national reports further to paragraph 3 above for consideration by the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety at its twelfth meeting;

5. *Invites* Parties, other Governments and organizations to carry out capacity-building and awareness-raising activities in support of Goal A.9 of the implementation plan and the capacity-building action plan for the Cartagena Protocol, and encourages donors to provide the necessary resources in this regard.

Annex

Summary of information gathered in response to decision CP-10/12

I. Summary of the submissions received further to paragraph 3 of decision CP-10/12

1. In its submission, a Party⁸ indicated that the voluntary guidance on the assessment of socioeconomic considerations in the context of Article 26 of the Cartagena Protocol on Biosafety provided key areas of focus for socioeconomic assessments conducted at the national level and that the use of the elements of the guidance was simple and direct. The Party described how its assessments of socioeconomic considerations incorporated elements of the guidance, while taking the country's socioeconomic status into account. In its socioeconomic assessments, several elements were considered, including the linkage between potential impacts of the living modified organism and the likelihood that such impacts materialize, the sustainability of the use of the living modified organism, the occupation of the people living in the area of release and views of major religious groups present in the area. Findings were compared with data on conventional (non-genetically modified) organisms and data on the use of the living modified organism in other agroecological locations. Experts in the field were identified and involved in the socioeconomic assessment, and the outcomes were reflected in a dedicated section in the risk assessment report, which was submitted to the decision-making body. Indigenous peoples and local communities were involved in the monitoring and inspection of the intended areas of release of the living modified organism. The Party indicated that experience to date had not shown that negative socioeconomic impacts had materialized in the country and that, in the case of the genetically modified pod borer-resistant cowpea, the rate of infestation had drastically reduced and the income of farmers had greatly increased, while no complaints had been received in relation to the inaccessibility of seeds or violations of religious rules.

2. In another submission, a Party⁹ indicated that its national approach to socioeconomic considerations was broader than that envisioned under Article 26, paragraph 1, of the Cartagena Protocol. In its national processes, it considered the socioeconomic impacts of the living modified organism in general, as opposed to focusing only on socioeconomic considerations arising from the impact of the living modified organism on the conservation and sustainable use of biological diversity. The Party indicated that its national practices were generally consistent with the provisions of the voluntary guidance, although the national biosafety legislation did not include requirements for free, prior and informed consent. The Party noted, however, that other legal instruments addressed some of those aspects. The Party also noted strong linkages with various supporting regulatory instruments and with the risk assessment process, including its provisions concerning protection goals. The Party further noted that the guidance was a useful framework and a potentially useful reference. The Party wrote that, during a national workshop at which the guidance had been discussed, it had been noted that most socioeconomic considerations did not necessarily require an extensive evaluation process.

3. In its submission, a Party¹⁰ wrote that, since 2012, no unconfined cultivation of living modified organism had taken place in its jurisdiction and that there was therefore no recent relevant experience in considering socioeconomic considerations. The Party described the regulatory framework and approaches relevant to socioeconomic considerations developed by the European Union. It referenced the "Framework for the socioeconomic analysis of the cultivation of genetically modified crops" of 2015 and the "Framework for assessing the socioeconomic impacts of Bt maize cultivation" of 2016¹¹ developed by the European GMO Socioeconomics Bureau and indicated that it relied on

⁸ Nigeria.

⁹ South Africa.

¹⁰ Germany.

¹¹ Both reports are available at https://bch.cbd.int/onlineconferences/portal_art26/Forum2019.shtml.

those frameworks for conducting socioeconomic assessments. It noted that the frameworks followed the same approach as the voluntary guidance, although the frameworks were more detailed and had been developed specifically in the context of the European Union. The Party indicated that methodologies for conducting socioeconomic assessments were available, but that lack of data was the primary constraint to perform assessments and that more work in that regard was needed. The Party referenced several ongoing or recently concluded research projects relevant to socioeconomic considerations.

4. In its submission, an organization¹² highlighted and summarized several studies from 2019 onward that provided examples of how socioeconomic considerations could be applied in the context of the elements of the voluntary guidance.

II. Summary of the submissions received further to paragraph 4 of decision CP-10/12

5. In their responses to the request from the Secretariat, many Parties¹³ described how their legislation required or allowed for the consideration of socioeconomic considerations as part of the process for the authorization of living modified organisms. Some of those Parties submitted further information on national approaches to socioeconomic assessments.

6. One of the Parties¹⁴ that required socioeconomic considerations to be assessed explained how it had developed the following parameters for conducting socioeconomic assessments on the basis of public consultations: contribution of the genetic modification technology to national food security and sustainability; access to the technology; income to farmers; cost of seeds and planting materials; coexistence between the genetically modified and non-modified crops; trade implications at the regional and international levels; freedom of choice; and a biosafety stewardship plan. The Party also submitted an operational procedure for the consideration of socioeconomic considerations in genetically modified organism applications, which incorporated the aforementioned parameters and provided guiding questions for each of them. The Party explained that applicants were required to conduct a socioeconomic study using the parameters and submit the study to the decision-making body, together with the main application dossier. The decision-making body engaged independent socioeconomic experts to review the report and make recommendations. The decision-making body considered the recommendations and the study, together with the risk assessment report and a public participation report, before taking a decision. The Party wrote that it had assessed socioeconomic considerations in the context of four living modified organism applications, and that one of the applications had not been approved on account of socioeconomic considerations, specifically because of the possible loss of opportunities for exporting flowers to foreign markets. The Party provided information on the process for conducting socioeconomic assessments.

7. The same Party shared some challenges that it had experienced in considering socioeconomic impacts. In that regard, it mentioned, among other things, the following: there were drawbacks to the approach to assess impacts *ex ante*; assessing socioeconomic impacts only at the release stage of a living modified organism was too late; there was a lack of a common and well-defined framework for considering socioeconomic impacts at the global or regional level; there was a limited number of socioeconomic experts in the country with knowledge about biotechnology and biosafety; and there was a lack of clarity on thresholds for approving or rejecting applications on account of socioeconomic considerations.

¹² Third World Network.

¹³ Bangladesh, Eswatini, European Union, Guinea-Bissau, Kenya, Malawi, Malaysia and Mexico. The information provided by the European Union on how its legislation enables its member States to take into account socioeconomic considerations is discussed further down in the present section, together with information provided by member States of the European Union.

¹⁴ Kenya.

8. A Party¹⁵ described that its legislation required the assessment of the socioeconomic impacts of the genetically modified organism on communities living in the vicinity of the area in which the organism was proposed to be released. The Party indicated that the socioeconomic impact assessment was carried out using the following key assessment criteria: technology transfer to and capacity-building for local institutions; economic value of the modified crop; access and affordability of the technology; intellectual property rights; cultural and ethical issues; rights of farmers and consumers. The Party explained that socioeconomic assessments largely depended on comments provided by the general public and the decision-making body. It added that the practice of announcing applications in newspapers to solicit views on the application and participation in the decision-making process had not been effective, as many end users had limited access to newspapers or faced literacy challenges. As a result, in the case of the application for Bt cotton, access to and affordability of the technology had insufficiently been considered and farmers were now facing challenges with the high cost of seeds. The Party concluded that, in order to address socioeconomic issues, it was important to have robust regulatory frameworks, transparent decision-making processes, long-term monitoring and effective public engagement.

9. Two Parties¹⁶ described how religious aspects were considered as part of the socioeconomic assessment. One of those Parties¹⁷ explained that its socioeconomic assessment included an analysis of the effects on the religious, social, cultural and ethical values of communities of the use or release of the living modified organisms or products of such organisms. The Party indicated that, for several living modified organism authorizations, socioeconomic considerations had been taken into account. The Party had considered the dependency on imports of corn and soy for its food and feed industries and the prevalence of genetically modified soy and corn. It had concluded that the prohibition of genetically modified corn and soy varieties would make imports more expensive and would have a negative economic effect on the food and feed industry, including the livestock industry. On that basis, the living modified organisms had been approved for import.

10. In its response, a Party¹⁸ shared a report on the assessment of socioeconomic impacts, which contained a comparison of the findings of six ex post and ex ante studies on the socioeconomic impacts of several varieties of genetically modified corn, carried out on its territory between 2002 and 2012. The socioeconomic assessments were conducted comparing the impacts of the genetically modified varieties of corn with those of a hybrid corn. The following indicators were used: grain yield; unit cost of production; net farm income; return on investment; and subsistence carrying capacity and global competitiveness. The analysis found that the genetically modified corn varieties had superior performance to the hybrid corn.

11. A Party¹⁹ shared a study on the impacts of Bt brinjal (aubergine) technology, as well as several related research papers on the impacts of Bt brinjal cultivation. These studies considered several aspects, including environmental (e.g. in relation to pesticide use) and health impacts (e.g. in relation to exposure to pesticides), as well as socioeconomic impacts, and were focused on such elements as the cost of technology, labour and input costs, yields and production losses. The Party also submitted an evaluation of the socioeconomic and environmental impacts of Bt cotton cultivation in the country. The evaluation considered several socioeconomic criteria, with a focus on input use pattern, cost of production, profitability, pest management practices and the perception of the genetically modified cotton.

12. Three Parties²⁰ mentioned in their submissions that socioeconomic aspects were considered, in addition to involving society or considering public opinion. A fourth Party²¹ described how the

¹⁵ Malawi.

¹⁶ Malaysia and Nigeria.

¹⁷ Malaysia.

¹⁸ Philippines.

¹⁹ Bangladesh.

²⁰ Greece, Rwanda and Slovenia.

²¹ Eswatini.

biosafety legislation required socioeconomic considerations to be taken into account during decision-making and that, in that context, provisions were in place for the inclusion of the public, which benefited from the consideration of socioeconomic factors. Another Party²² explained that, although no formal assessments of socioeconomic considerations had been conducted in the context of several field trials, public consultations had been carried out that had involved, inter alia, local authorities and indigenous peoples and local communities, which had enabled the decision-making body to consider certain socioeconomic aspects.

13. Rather than assessing the socioeconomic impacts of a particular introduction, a Party²³ explained that the socioeconomic impacts of the adoption of the biosafety legislation had been assessed as part of the general impact assessment carried out during the process of adopting legislation.

14. A Party²⁴ clarified that it had prohibited the import and use of living modified organisms, unless socioeconomic reasons justified the import of processed or semi-processed genetically modified products. The Party mentioned that, to date, no such justification had been provided.

15. A Party²⁵ mentioned that, when assessing socioeconomic impacts, it had been guided by the methodology of the voluntary guidance. The Party described how the assessment had taken into account the possibility that transgenic rapeseed could mix with non-transgenic food-grade rapeseed during harvesting, transportation and storage, and the economic damage that this would cause. It also mentioned that the elevated cost of coexistence measures had been considered.

16. Of the 28 responses received, 12 were submitted by Parties that were member States of the European Union, and one submission was made by the European Union itself. The regulatory framework for biosafety of those Parties is based on European Union legislation, and their experience shows certain similarities. As a result, the responses from those Parties are grouped together below.

17. Several Parties²⁶ explained that, in the European Union, the authorization of genetically modified organisms was given at the European Union level. In accordance with the provisions of Directive (EU) 2015/412, a member State of the European Union may adopt measures restricting or prohibiting the cultivation in all or part of its territory of a genetically modified organism or of a group of genetically modified organisms that have been authorized. Such measures must be reasoned, proportional and non-discriminatory and be based on compelling grounds. Among the compelling grounds listed in the Directive is “socioeconomic impacts”. Since the adoption of the Directive, no applications for cultivation of genetically modified organisms had been filed and Parties had therefore no experience with the application of that provision.²⁷

18. Two technical reports issued by the European GMO Socioeconomics Bureau were submitted by one Party.²⁸ One report was a framework for the socioeconomic analysis of the cultivation of genetically modified crops and the other a framework for assessing the socioeconomic impacts of Bt maize cultivation. The frameworks provided a list of topics, indicators and methods for socioeconomic assessments.

²² Cameroon.

²³ United Arab Emirates.

²⁴ Bhutan.

²⁵ Belarus.

²⁶ Including Austria, Denmark, Hungary, Italy, Malta and Slovenia.

²⁷ Directive (EU) 2015/412 provides that, during the authorization procedure of a given genetically modified organism or during the renewal of consent or authorization, member States of the European Union may demand that the geographical scope of the written consent or authorization be adjusted to the effect that all or part of the territory of that member State is to be excluded from cultivation. Under the transitional measures in force in preparation for the entry into force of the Directive, member States of the European Union were allowed to take measures prohibiting or limiting the cultivation of genetically modified organisms that had already been authorized or were in the process of being authorized, without providing compelling grounds. In several submissions, Parties indicated that they had made use of those measures.

²⁸ Both reports are available at https://bch.cbd.int/onlineconferences/portal_art26/Activities2023-2024.shtml.

19. National legislation implementing Directive (EU) 2015/412 was referenced in several responses from Parties that are member States of the European Union. In that context, a Party²⁹ mentioned that, at the national level, socioeconomic impacts were to be assessed through an analysis of certain factors, such as the impracticality or high costs of coexistence measures or the impossibility of implementing coexistence measures owing to specific geographical conditions, for example on small islands or in mountainous areas.

20. In its response, a Party³⁰ that is a member State of the European Union provided an overview of the national institutional framework in place for biosafety. Within that framework, a socioeconomic committee has been established by the national agency for the analysis of health risks in the fields of food, environment and the workplace. The committee could be requested to consider socioeconomic aspects related to biosafety. The Party also mentioned that a national economic, social and environmental council, responsible for socioeconomic and societal matters, as well as a national consultative ethical committee, charged with the consideration of ethical matters, could be requested by the Government to consider biosafety-related issues. In that regard, the Government requested advice on possible effects of the utilization of new genomic techniques in plant breeding. The advice addressed aspects related to risk assessment of living modified organisms, as well as socioeconomic concerns, including, in particular, those related to the organization of the sector and market, coexistence measures, intellectual property rights and, depending on the availability of data, the effect on the detection, traceability and labelling of products. Ongoing work in that regard provided an opportunity for developing analytical methods for socioeconomic assessments in the field of biosafety. In the response, reference was also made to three recommendations prepared under the auspices of the high council on biotechnologies, which addressed, among many other elements, certain socioeconomic aspects, including the economic cost and benefits of the living modified organism, ethical issues, effects on local actors, traceability, labelling, coexistence and impacts on intellectual property aspects.³¹

21. In its response, a Party³² that is a member State of the European Union clarified that its agricultural policies addressed socioeconomic considerations regarding certain living modified organisms. In particular, an ethical assessment was mandatory for the breeding and use of genetically modified animals. An assessment framework for the cultivation of genetically modified crops had been developed, which included the following criteria: freedom of choice for consumers and farmers; national coexistence policy; pesticide policy; economic impact on organic and conventional farmers; acceptance by society; and potential advantages of the living modified organism, in terms of, for example, sustainability, food security and consumer benefits. The criteria were to be considered together with requirements set by the European Union and applied in a non-discriminatory and proportionate manner. In addition, reasons why the criteria are met or not must be provided. In its submission, the Party also referenced a report prepared by its national commission on genetic modification in 2014, in which socioeconomic and other aspects of the cultivation of living modified organisms had been considered, in particular: economy and prosperity; health and welfare; food supply and food security; cultural heritage; freedom of choice; and the overarching benefit to society and policy objectives.³³

22. In its response, a Party³⁴ that is a member State of the European Union explained that its interministerial council on genetically modified organisms was the decision-making body on issues related to genetically modified organisms at the national level and comprised representatives of several ministries that represented various sectors and interests, including social and economic interests. In addition to the risk assessment report, it also took into consideration a broad range of

²⁹ Croatia.

³⁰ France.

³¹ Available at https://bch.cbd.int/onlineconferences/portal_art26/Activities2023-2024.shtml.

³² Kingdom of the Netherlands.

³³ Available at <https://s3.amazonaws.com/cbdocumentspublic-imagebucket-15w2zyxk3prl8/c272720b6bac8e7063c3282e02b77d00>.

³⁴ Spain.

views and interests, such as those related to research, development, investment, the interests of the agrifood sector and consumers, public health, international trade, environmental considerations and rural affairs.

23. In its response, a Party³⁵ that is a member State of the European Union described how it had adopted legislation restricting or prohibiting the cultivation of genetically modified plants. It wrote that socioeconomic issues had been considered in stakeholder consultations and national discussions held on the cultivation of living modified organisms, including such issues as producer prices and yields, costs, labour flexibility, costs of alternative farming practices, consumer choice, price discrimination, dependence on the seed industry, costs of coexistence measures and, in particular, conflict between neighbouring farmers owing to the geographical conditions of the country. Furthermore, the Party mentioned that research had been carried out to assess public acceptance of modern biotechnology products. In that context, socioeconomic factors influencing public acceptance of new techniques of synthetic biology and genome editing were compiled and categorized as follows: economic impacts, welfare impacts, legal and policy frameworks, broader social aspects, transboundary impacts and environmental risks.

³⁵ Slovenia.