



www.publiceye.ch

Nominated for the Public Eye Award 2006 in
the category:

E N V I R O N M E N T

Nominated by: **Greenpeace Australia-Pacific,
Australia**

Bayer AG

Headquarters:	Leverkusen, Germany
Branch of trade:	Crop Science, Pharmaceuticals
Turnover / Net profit 2004:	€ 29,7 billion / € 603 million
CEO:	Werner Wenning
Owned by:	Publicly-traded corporation
Employees 2004:	113'825
WEF-Participant 2006:	yes

Summary

According to Greenpeace Australia-Pacific, the German Bayer Group is responsible for Australia's worst case of contamination with genetically engineered (GE) organisms. In June 2005 conventional canola (rape) was found to have been contaminated with Bayer's GE herbicide-resistant canola named "Topas". Instead of a responsible reaction, the company downplayed the extent of contamination and declared that trace levels of genetically modified material is a reality in today's agricultural production. Greenpeace demands from Bayer to take full responsibility for any harm or contamination that their products may cause.

Information on the case and characteristics of irresponsible corporate behavior

After Canada, Australia is the second largest producer of the crop known as canola. Canola is mostly grown to produce oils used in cooking. Canola meal is used as stock feed for the pork, poultry and dairy industries. Even though Bayer CropScience, a branch of the German Bayer Group, received licenses for the commercial release of its GE canola varieties in 2002, such a release was no longer possible after 2004. All local governments of canola-growing States banned the planting of GE canola.

Despite the ban on planting GE canola, in June 2005, an important GE contamination was discovered in a shipment of Australian canola bound for Japan. The non-GE canola was found to have been contaminated with Bayer's GE herbicide-resistant canola named "Topas." Presumably, the contamination originated in seeds imported from North America that were labeled as non-GE. Since that incident, which involved canola from Victoria, further contamination has been found in canola from Western Australia and it is likely that the contamination is even more widespread.

Instead of taking responsibility for this incident and its ramifications, Bayer's response was to downplay the extent of the contamination and it even stated in a press release that "trace levels of genetically modified material is a reality in agricultural production systems around the world where seeds are exchanged between countries." The attitude of Bayer is particularly impinging given the decision of Australian State Governments to forgo a release of GMOs.

This is only the latest scandal involving Bayer, which has an impressive history of corporate crime. In order to continue peddling its products, the company uses all the techniques it can think of – bribery, bullying tactics, lies, dubious science and litigation. Some examples illustrate this: in 2003, Bayer was found guilty of defrauding the US federal government out of hundreds of millions of dollars in *Medicaid* payments and agreed to pay a \$5.5 million criminal fine. In the same year, it was also revealed that Bayer had fed students a highly hazardous pesticide linked to serious disorders. Bayer tried to use the results of the study to argue that restrictions on pesticide use should be eased. In 2004, Bayer agreed to pay \$66 million to US authorities to settle price-fixing charges. In the same year, the company faced demands for compensation from the families of twenty-four Peruvian children killed by one of its pesticides.

Consequences

As living organisms, genetically engineered crops can reproduce and once released, they are very difficult to control or recall. Environmental and human health impacts cannot be predicted and concerns include biodiversity impacts, genetic pollution, increased pesticide use and the emergence of pesticide resistant weeds and insects. Australian canola growers could now be unknowingly growing GE canola – putting Australia's reputation as a GE-free country at risk.

Current status and demands

Greenpeace proposes that State governments introduce a zero tolerance for genetic contamination and strict liability legislation to protect farmers, consumers and our environment. Greenpeace demands from Bayer

- to take full responsibility for the GE products they design, patent and sell;
- to take full responsibility for any harm or contamination that their products cause.

Detailed nomination: www.publiceye.ch/nominierungen

Further information and links:

- www.greenpeace.org.au/ge/