

Risks and Benefits Associated with Biotechnological/ Pharmaceutical Crops

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Motivation

- Recent Cases of Contamination and Near Contamination
 - Starlink 2000
 - Prodigene 2002
- Industry Concern
 - North American Millers Association
 - BIO

Conceptual issues and solutions

- A large number of possible avenues for contamination
 - Solution: we focus on an avenue (pollen drift) that exists in the Cornbelt and not in other states
 - We assume that weather stations are used in the source fields
- A zero tolerance is inconsistent with probability theory
 - Solution: We use tolerances

Conceptual issues and solutions

- “Harm” is difficult to define, most antibodies are safe for human consumption and detection is close to impossible
 - Solution: We define harm as the possibility of contamination
- The wind conditions that cause one pollen to move will also cause others to move, this breaks the link between probability and the level of contamination
 - Solution we measure the probability that tolerance levels are exceeded

Conceptual issues and solutions

- The average consumer overestimates small probabilities
 - Solution we express tolerances in terms of kernels per forty acre field, there are 540 million kernels in a forty acre field ($90,000 \times 150 \times 40$)
- We do not know which direction the wind will blow
 - We conservatively assume that wind always blows in the direction of the field of interest

Conceptual issues and solutions

- It is conceptually difficult to trade off risk against economic benefit
 - Solution we express the risk as the fair value of an insurance product that fully indemnifies the owner of the target field
- The failure levels for biological controls is not known with precision
 - Solution we assume a failure level of 1 in 100 for detasseling and male sterility

Phases of Research

- Pollen dispersal model
- Calibration
- Insurance pricing mechanism

Stochastic Modeling of Dispersion

- Description of wind behavior
- Lagrangian stochastic (LS) model
- Monte Carlo Simulation

Stochastic Modeling of Dispersion: Weibull Model of Wind Distribution

- Weibull is most common distribution used to model wind speeds (Seguro and Lambert)
- Parameters, c and k , are estimated using maximum likelihood techniques.

$$P(u < u_i < u + du) = P(u > 0) \left(\frac{k}{c} \right) \left(\frac{u_i}{c} \right)^{k-1} \exp \left[- \left(\frac{u_i}{c} \right)^k \right] du$$

Insurance Policy: Fitting Local Wind Behavior to the Weibull Distribution

- Wind data from Boone, Iowa
- Collected during period of maize pollination (Miller)

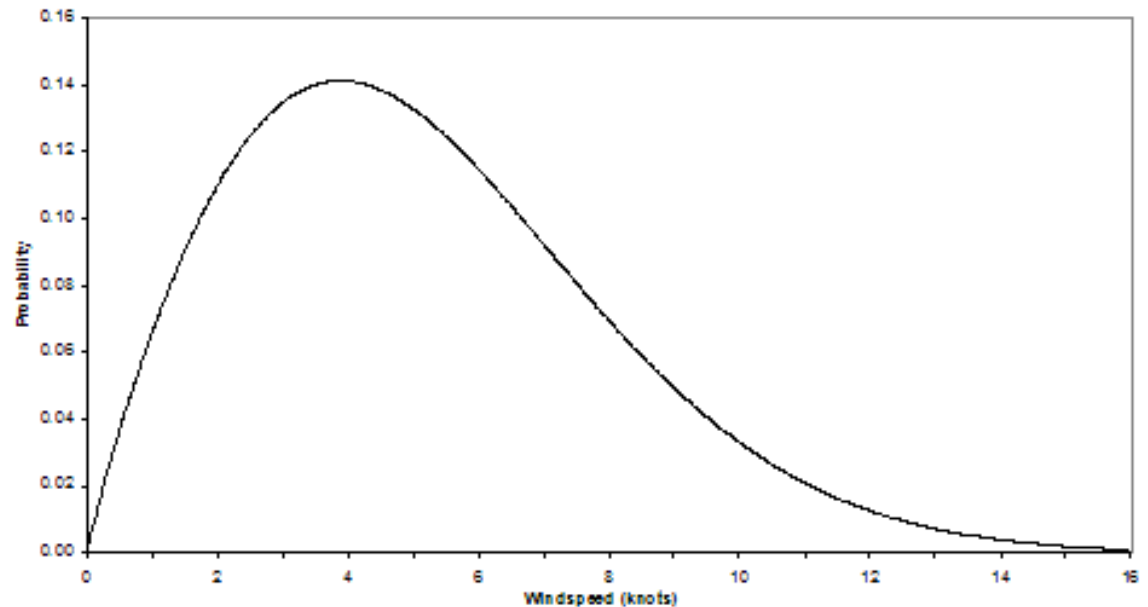


Fig. 2 Distribution of Central Iowa Wind Speeds (knots)
during Periods of Corn Pollination 1995-2002

Stochastic Modeling of Dispersion: Lagrangian Stochastic (LS) Model

- LS model closely follows that of Aylor
- Models movement of pollen in vertical direction (z) and horizontal direction (x)

$$dX = udt$$

$$dZ = (W - v_s)dt$$

$$dW = \left[-\frac{b_w^2}{2\sigma_w^2}W + \frac{1}{2} \frac{\partial \sigma_w^2}{\partial z} \left(\frac{W^2}{\sigma_w^2} + 1 \right) \right] dt + b_w d\xi_w$$

Parameter Values

- Available from Literature
 - Displacement level and roughness length for fallow, corn, and soybeans
 - von Karman's constant and settling velocity of corn pollen

Stochastic Modeling of Dispersion: Deposition and Temporal Conditions

- Pollen is considered viable for 2 hours

$$Q_T = \{Q_R(0, H, 0) : Q_R(x, z_o, t), t \leq 7200\}$$

- Probability of pollination is the ratio of transgenic pollen to all pollen deposited

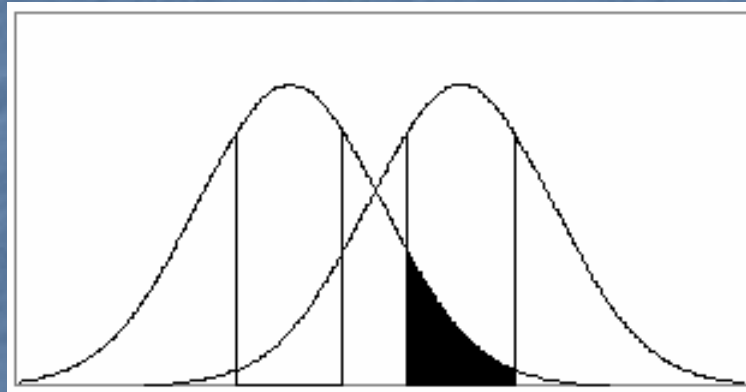
$$P = Q_T / Q_A$$

Stochastic Modeling of Dispersion: Physical & Biological Inhibitors of Gene Dispersal

- Physical methods
 - Bagging
 - Detasseling
- Biological methods (Daniell)
 - Male sterility

Stochastic Modeling of Dispersion: Contemporaneous Fertility

- Using corn silking as a proxy, determined probability of fields separated by time of planting sharing a period of fertility



<- 4 weeks ->

- Probability of fields separated by 28 days or more sharing a period of fertility was less than one percent

Stochastic Modeling of Dispersion: Probability of Zero Contamination

- The probability that long distance pollen will succeed in fertilizing is the ratio of transgenic pollen, Q_T , to all pollen present, Q_A , times the probability that genetic seepage occurs, P_S , times the probability that the plots are fertile at the same time, P_F .

$$P = P_F \left(\frac{P_S Q_T}{Q_A} \right)$$

- The probability of *any* contamination occurring, P_C , approaches 1 as the number of size of production grows:

$$P_C = \left(1 - (1 - P)^K \right)$$

Calibration

- Model is calibrated using field data collected by Mark Westgate et al. during July 2000
- Gathered weather data including wind speed from station located in center of source plot
- Gathered and measured pollen daily from passive collectors located in eight directions at varying distances from source each day

Calibration Process

- Estimated deposition using LS model using characteristic wind speed for each day
- Since actual amount of pollen is not known, deposition ratios are used with the first site of collection normalized to one

Calibration results for a wind speed of two miles per hour

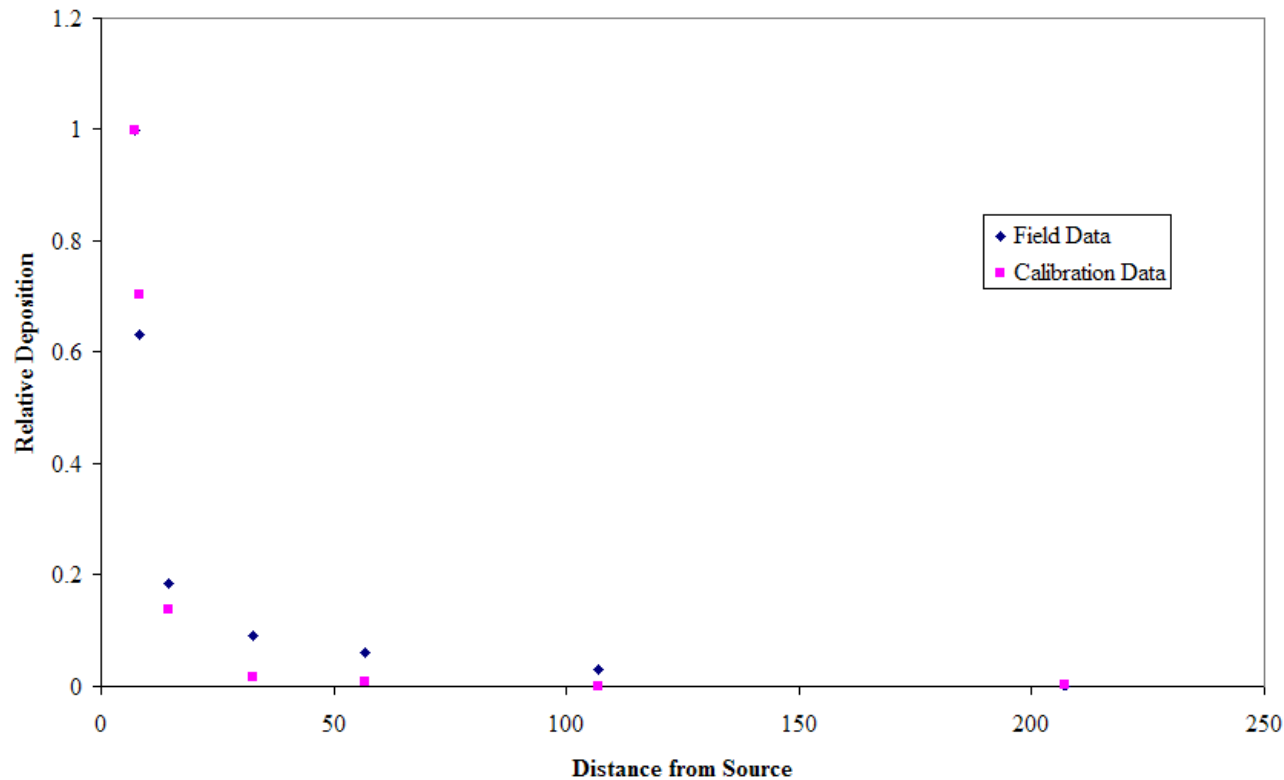


Figure 1. Relative Deposition of Pollen

Calibration Results

- Model overestimated pollen deposition near the source and at furthest distance
- Calculated results can be seen as a higher bound on actual values, i.e. they are conservative

APHIS Production Guidelines

- Controlled Pollination (bagging or detasseling)
 - Corn allowed from ½ to 1 mile if planted 28 days before or after pharmaceutical corn
- Uncontrolled Pollination
 - No corn allowed within one mile
- Either case
 - 50 feet adjacent to pharmaceutical plot must be left fallow
 - No restrictions beyond 1 mile

Long Distance Pollen Dispersal

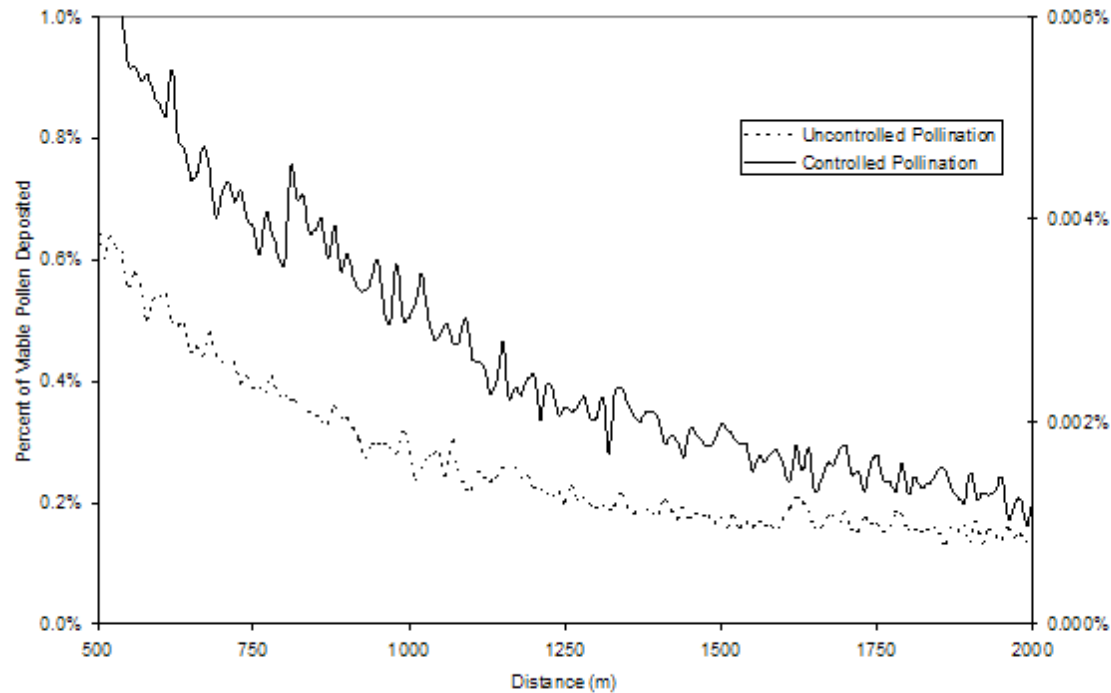


Figure 3. Long Distance Pollen Dispersal

Insurance Policy: Assumptions and Parameters

- Assumptions
 - Size of fields
 - One acre pharmaceutical field
 - 40 acre conventional corn fields
 - One-percent failure rate of detasseling/bagging and biological mechanism
- Exogenous Parameters
 - Price: \$2.00/bu.
 - Yield: 150 bu./acre
 - Social tolerance level

Insurance Policy: Results

Table 1. Cost of Insuring against Genetic Contamination in Dollars per Acre

Tolerance (kernels/field)	Controlled Pollination			Uncontrolled Pollination		
	Field 1	Field 2	Field 3	Field 1	Field 2	Field 3
100	-	-	-	0.06999	-	-
50	-	-	-	0.50643	0.18869	-
10	-	-	-	2003.43	1730.43	1042.8
5	0.00039	-	-	4268.859	4092.583	4006.853
1	11.52838	0.13745	-	4359.427	4179.914	4049.519
0.5	17.87641	9.22446	0.92088	4313.94	4224.184	4075.309

Insurance Policy: Results

- Insurance premiums are calculated in a very conservative way (detasseling and biological inhibitor, wind direction and calibration)
- With a tolerance level of one kernel per forty acre field the fair cost of the insurance product is \$11.50
- Cornbelt Policy makers need to compare this cost against the economic benefits of the field
- Larger scale production of pharmaceutical corn will result in lower premiums as relatively less pollen will escape from the field

Summary

- Constructed a pollen dispersal model and calibrated it against data
- Calculated the fair value of an insurance policy that indemnifies against contamination
- Model is extremely flexible and can address different production scenarios, assumptions