

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Approved By:

Jim Dever

Prepared By:

Dana Biasetti

Report Highlights:

Report contains Italian and EU agricultural news items of interest for the month of June 2010.

General Information:

ITALIAN AGRICULTURAL NEWS

Police Arrest Mafia Members Who Controlled Southern Italy Produce Market

Italian Police arrested 67 suspected mafia members in raids across southern Italy today, dismantling an alleged alliance of Italy's three main crime syndicates that virtually monopolized southern produce markets. Authorities also seized rocket and grenade launchers. The Sicilian mafia, the Calabrian 'Ndrangheta and the Naples-area Camorra dropped traditional rivalries to join forces to control fruit and vegetable sales and distribution throughout central and southern Italy. The alleged ring was exposed after police began investigating the attempted murder of a delivery truck driver. Using wiretaps, investigators discovered how the Mafia was using transport companies to carry produce from farms, and forcing vendors to agree to augmented prices. **ANSA**

Barilla - Italy's Most Respected Company Worldwide

Pasta and prepared foods giant Barilla is the most respected Italian company in the world, according to an annual survey by the Reputation Institute for the American business magazine Forbes. Barilla came in 19th place for having the best reputation and was the first among food companies. Last year Italian confectioner Ferrero - makers of chocolate-nut spread Nutella, Ferrero-Rocher chocolates and tic-tac breath mints - was ranked as the world's most reputable company. **ANSA**

Farmers' Tractors Block Port of Ancona

Italian farmers symbolically blocked the port of Ancona with their tractors to protest the commercialization of food products produced abroad but marketed as Italian-made. The farmers are members of the Coldiretti union. Ancona is a key port on the mid-Adriatic coast where every day tons of wheat, sunflower seeds, oil and other farm commodities produced abroad are unloaded to be then transformed into finished products to be sold as 'made in Italy'. According to Coldiretti, this has severely hurt the livelihood of Italian farms that have seen producer prices tumble while production

costs have soared. The Coldiretti tractors carried banners with 'For Sale' signs on them and slogans urging a law to make it obligatory to indicate the origin of agricultural raw materials on the labels of the finished products. **AGI**

Battle Against GMOs Futile

Italy's top oncologist, and former Minister of Health, Umberto Veronesi speaking at the annual assembly of the National Biotech Development Association (Assobiotech), Veronesi described GMO-related health fears as "unjustified". "I see no obstacles to GMO production. Genetic variation has been taking place for millennia." Despite fierce ideological opposition to GMOs in Italy, around 80 percent of the country's soy imports and 30 percent of its maize imports are genetically modified. It is inevitable that we will end up cultivating GMOs in Italy as well, because there is no reason to fear them." Assobiotech's newly elected president, Alessandro Sidoli, said ideology was clouding the issue, insisting on the need for "a serious debate" blaming the media for spreading "an alarmist message" over GMOs, and pointing out that biotech crops have been adopted by 30 countries

in the last 15 years and were now used by 15 million farmers worldwide. **ANSA**

Mozzarella 'Gets the Blues' in Italy

Italian police confiscated some 70,000 balls of mozzarella in Turin after consumers noticed the milky-white cheese quickly developed a bluish tint when the package was opened. Minister of Agriculture Giancarlo Galan has ordered ministry laboratories to investigate what he called a disturbing development, and initial clinical tests have not revealed any toxic substances or harmful bacteria. According to the tests the problem appears to be caused by pseudomonas - natural, non-toxic bacteria which can be found in the water used to preserve the cheese. No cases of illness have yet been reported. Italian Farmers Union Coldiretti has warned that consumers are unaware that half the mozzarella sold in Italy is made from foreign-produced milk, and is therefore pushing for legislation that would oblige producers to the origin of all ingredients on the label. Currently, only cartons of fresh milk must indicate where the contents come from. Makers of yogurt, powdered milk and cheeses can use imported milk without mentioning it on the label. **La Repubblica**

Italy Fears for Nutella With New EU Food Labels

To Italians, Nutella is much more than chocolate-hazelnut spread - it's a cultural icon, the subject of memorable movie scenes, books and song lines. However, stricter European food labeling rules could harm the beloved product. The European Parliament has approved a draft measure requiring all processed foods to have fat, salt and sugar contents clearly labeled on packaging. The initiative is aimed at fighting obesity and giving consumers more informed choices. The legislation, if approved, would require food with lots of fat, sugar or salt -- like Nutella -- to carry red warning stickers. The new EU measures would also require protein, fiber and trans fat levels to be shown on labels.

Agra Press

Fishermen Strike over EU rules -Regulation Poses 'Threat' to Clam Spaghetti

Italian fishermen are up in arms over new EU regulations that pose a threat to their livelihoods and one of Italy's most popular pasta dishes, spaghetti with clams. Fishermen nationwide went on strike, warning that EU rules aimed at protecting Europe's fish stocks could cut catches by up to 50% and spell an end to the widespread consumption of razor and wedge clams. Fishermen in 13 of Italy's 15 coastal regions grounded boats and staged demonstrations to protest the implementation of Regulation 1967/2006. The new rules increase the minimum mesh size of drag nets to allow young fish to escape, prohibit fishing within a certain distance off the shoreline and restrict the use of a range of techniques such as drilling and explosives to capture clams. Responding to public outcry

Agriculture Minister Giancarlo Galan has announced a 'crisis unit' is being set up to address the issue, promising a package of requests will be sent to the EU to request exemptions from some of the rules. The regulation allows derogations from some of the rules if sufficient scientific evidence is presented to

justify the request. **Italy Times**

Biotech Symposium in Italy

Biotech for the sustainability of human society will be the theme of the 14th International Biotechnology

Symposium and Exhibition to be held in Rimini, Italy on September 14-18, 2010. There will be nine sessions among which include food biotechnology, plant biotechnology, and biotechnology for bioenergy. Details of the symposium are available at <http://www.ibs2010.org/news.asp>

THE EUROPEAN UNION

EFSA Calls for Fresh Data on Cloned Animals

The European Food Safety Authority (EFSA) is appealing for new data on the health and welfare of cloned farm animals as the debate on their regulatory status continues. EFSA is interested in material on

food producing animal clones regarding their health and welfare during production life, taking into consideration natural life span. Members of the European Parliament (MEPs) recently voted to entirely exclude food derived from cloned animals and their offspring from draft novel foods legislation.

The MEPs called for a moratorium on animal cloning and urged the European Commission to develop a separate proposal on the regulatory framework for cloned farm animals. Health and welfare concerns, especially related to illness and premature death among the offspring of clones, and ethical unease from the general public have so far kept food from cloned farm animals away from EU supermarket shelves. **EFSA**

EU Withdraws Plans for Rules on Organic Wine Production

The EU Commission has withdrawn draft proposals to introduce standards for the production of organic wine, citing an unwillingness to dilute organic rules. Wine has so far been excluded from the EU organic regulation, which only extends to the grapes used in wine production. Organic wine has therefore been marketed only as wine produced from organic grapes. **Agra Europe**

Researchers Develop Non-chlorine Rinse for Poultry Carcasses

Spray washing chicken carcasses with a solution of lauric acid and potassium hydroxide could help processors design practical and non-chlorine-based sanitizers according to the U.S. Agricultural Research Service (ARS). ARS has been conducting studies in hopes of developing alternatives to chlorine rinses (which are banned in the EU since 1997 in what has become one of the longest-running trade disputes between the United States and the EU.) The 13-year EU ban on chlorine treated poultry escalated last year when the U.S. asked the World Trade Organization (WTO) to adjudicate on the matter. The U.S. lost patience with its EU counterparts after a request in 2002 to lift the ban was ignored. Brussels also refused to change its stance even though the European Food Safety Authority (EFSA) said in 2008 the banned chemicals were safe to use in poultry processing. The new study found that using the cleansing solution to wash eviscerated chicken carcasses was effective in eliminating

bacteria that cause human food borne diseases, and that the cleanser, comprised of lauric acid and potassium hydroxide, could be used to disinfect chicken carcasses during processing prior to chilling. **Agra Europe**

EFSA Rules out H1N1 Risk to Humans from Meat

The meat processing industry has welcomed a report from the European Food Safety Authority (EFSA) ruling out the risk of humans contracting the H1N1 virus from pork, pork products, turkey or processing equipment. The report provides further confirmation that there is no food borne risk to humans from meat. Researchers have shown that H1N1 infection in pigs only involved the respiratory tract and there was no dissemination to other organs or muscles - and that the virus does not colonize

meat. **EFSA**

Greece is Tapping China's Deep Pockets to Help Rebuild its Economy

Nearly bankrupt Greece is moving to rebuild its economy thanks to China. Spurred by government incentives and bargain-basement prices, the Chinese are planning to pump hundreds of millions -- perhaps billions -- of Euros into Greece. The plan is the transformation of the Mediterranean port of Piraeus into the Rotterdam of the south, creating a modern gateway linking Chinese factories with consumers across Europe and North Africa. The Greek government is also courting China for a bevy of other projects, including a sprawling new distribution center in the industrial wastelands west of Athens, a monorail line, five-star hotels and a new maritime theme park. The Greek investments are part of China's plan to create a network of roads, pipelines, railroads and port facilities to boost East-West trade. **Washington Post**

FEATURE STORY

Europe Must Keep COOL Over Country of Origin Labeling

Always read the small print. Good advice and nowhere more so than in food labeling with today's increasingly savvy consumers demanding to know what's in their food, where it came from and what it's going to do to them. But too much small print can be bad for our health. Especially if food labels are

bloated with so much information that we end up gorging on the irrelevant at the expense of the essential and companies are left staggering under the weight of an unnecessary bureaucratic burden.

Country of origin labeling (COOL) is a perfect case in point. With Europe's robust traceability system,

listing a food's origin should be the most basic information we should expect and one no manufacturer should shirk from, right? So why does the COOL issue provoke so much heated debate?

The fact that the EU has been wrestling with this for more than two years and has yet to come up with a system that satisfies industry, regulators and consumers, shows it is anything but straightforward.

And a mass of small print is what some food processors fear if draft legislation adopted by the EU Parliament extending COOL makes it onto the statute books. MEPs voted to expand this obligation from just beef and some other products to all meat, poultry, fish and dairy products. They also decided that country of origin would have to be specified for all meat, poultry and fish when used as an ingredient in processed

foods. It is no surprise that the ruling received a mixed reception from industry: A warm round of applause from meat producers; dismay from the dairy sector while others took a deep breath and said they would reserve judgment until the broad sweeps was fleshed out with more detail. Supporters of the proposed COOL regulation say it would put a stop to the practice of meat imported from countries outside the EU being processed, say in Ireland, and then being labeled as produce of Irish origin. While, is this legal, they say, it seems neither fair nor equitable as it comes perilously close to misleading consumers.

Opponents counter by arguing the imposition of COOL across the board would cause serious difficulties for manufacturers of complex products such as pizzas, pies and ready meals that buy ingredients from multiple sources according to factors such availability or seasonal variation. Taken to its most extreme, they warn of vast labels listing the origin of dozens of ingredients, covering swathes of food packaging. Constantly changing labels would increase costs and waste. And inevitably, these additional costs will be passed onto customers. Everyone agrees consumers shouldn't be misled about the provenance of food. But where do we draw the line between this and the heaping of questionable bureaucracy on companies that may force some players out of the market and cut customer choice? On food labeling, as with everything else, knowledge is power. Devised properly they allow us to make informed choices about what we eat. But it is vital to find the balance between serving up portion-sized information that illuminates rather than dishing up an overload of data that risks keeping consumers in the dark and placing needless strain on food manufacturers. There's nothing wrong with small print - but let's keep a cool head over COOL. **Agra Europe**

A GLOBAL PERSPECTIVE

IFIC Survey: Consumers Favor Biotech Foods

The International Food Information Council (IFIC) recently released the result of their survey in which an overwhelming number of respondents favor the purchase of biotechnology-produced foods based on their environmental benefits and sustainable agricultural practices. Several respondents claim that they will buy biotech food because they provide more helpful fats like Omega-3s (76%); others say they buy biotech foods to avoid trans fat (74%); some believe that biotech foods have improved taste and freshness (67%); and many also patronize wheat-flour products of biotechnology because more people are fed with less resources used in production. It is notable that there is low overall awareness of consumers regarding food biotechnology, but still, zero percent or none of them listed biotech food as something to be avoided. **Biotech News**

GM Crops Have 'Undeniable' Economic Benefits

The economic benefits of genetically modified (GM) crops are undeniable and with adoption only likely to increase. The commercial pipeline suggests product quality traits will be increasingly prominent if seed companies are going to maintain decent margins from the technology. Recent studies from the School of Biological Sciences at the University of Reading have shown that GM soybeans in the U.S. have added an average of \$1bn (€0.8bn) per year to incomes, while GM critics claim that yield increases over conventional varieties are not there, thus undermining their economic benefits. The economic gains are not necessarily in direct yield gains but rather from easier agronomy, better protection from insects, and lower inputs. It is generally thought that the economic gains worldwide are about \$50bn (€40.6bn), split almost equally between developed and developing countries. **Agra Europe**

FAS ROME REPORTING

IT1025 - Agricultural News for Italy and the EU – April 2010

Report contains Italian and EU agricultural news items of interest for the month of April 2010.

EU Consolidated Reports - FAS Rome contributed to the Biotechnology, Dairy, and Citrus reports.

FAS ROME ACTIVITIES

FAS Rome accompanied Ambassador Thorne on a courtesy call with the new Minister of Agriculture Galan.

FAS Rome conducted a site visit to Sarajevo and Zagreb, and attended a feed conference in Opatija.

FAS Rome attended the annual Federvini (Italian wine, spirits and vinegar industrial producers and traders association) meeting in Rome on June 15th.

FAS Rome attended Assalzoo (Association representing the Italian feed producing industry) and Assocarni (Association representing the Italian Meat Industry and Trade) Conference “Livestock for a sustainable world” in Rome on June 23rd.

FAS Rome successfully completed the Compliance Audit Review.

FAS Rome welcomes two Embassy summer hire students and the first ever Italian University intern.

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