

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary _ Public

Date: 6/8/2012 GAIN Report Number: IT1219

Italy

Post: Rome

Agricultural News for Italy EU and World May 2012

Report Categories: Agriculture in the News Approved By: Jim Dever Prepared By: Dana Biasetti

Report Highlights:

Report contains agricultural news items of interest for Italy, the EU and the world for the month of May 2012.

Earthquake Impacts Italian Agricultural Sector

The Italian Ministry of Agriculture estimates that recent earthquake damage to Italian agriculture is valued at more than €200 million. The four provinces affected by the earthquakes, (Ferrara, Modena, Mantua, and Rovigo) are home to more than 10,000 agricultural farms, 1,000 of which are livestock farms, including several hundred food processors. More than ten Parmigiano Reggiano and Grana Padano storage facilities collapsed during the quake damaging thousands of wheels of cheese that are being sold at a loss. *ANSA*

Illegal GM Plants Discovered Outside of Rome

The Genetic Rights Foundation (FDG) reports the presence of genetically modified fruit and olive plantings within the University of Tuscia. The experimental GM plantings were authorized in 1998 to ascertain the possibility of creating plants resistant to fungal attacks. However, the GM olive, cherry and kiwi plants have continued to grow even though the Italian Ministry of Agriculture's trial authorization permit expired years ago. IT MINAG

FEATURE ARTICLE

Battle Brewing Over Labeling of Genetically Modified Food

For more than a decade, almost all processed foods in the U.S. (cereals, snack foods, salad dressings) have contained GM ingredients. Regulators and many scientists say these products pose no danger. However, recently labeling bills have been proposed in more than a dozen U.S. states, including an appeal to the Food and Drug Administration (FDA). The heightened stakes have added fuel to a long-simmering debate over the merits of genetically engineered crops, which many scientists and farmers believe could be useful in meeting the world's rapidly expanding food needs. Supporters of labeling argue that consumers have a right to know when food contains GM ingredients. Almost all of the corn and soybeans grown in the U.S. contain DNA derived from bacteria. The foreign gene makes the soybeans resistant to an herbicide used in weed control, and causes the corn to produce its own insecticide. The FDA has said that labeling is generally not necessary because the genetic modification does not materially change the food.

Farmers, food and biotech companies, and scientists say that labels might lead consumers to reject GM food without understanding its environmental and economic benefits. Some food experts argue that food manufacturers have an obligation to label and consumers have a right to know. Until now, Americans have made little fuss about GM food compared with Europeans, who require that such foods be labeled. The current push for labeling in the U.S. stems in part from a broadening of the genetically modified menu to include herbicide-resistant alfalfa and the possible approval this year of a fast-growing salmon, which would be the first genetically engineered animal in the food supply. So far, the FDA has said only that it is studying the labeling petition; none of the state-level labeling bills

proposed over the last year has passed.

THE EUROPEAN UNION

EU Agricultural Exports at a Record High

EU exports posted another strong performance in 2011 to reach an all-time high of €105 billion. The latest MAP (Monitoring Agri-Trade Policy) report has revealed record export sales in value terms. Wines and whiskies saw the biggest price and volume gains, and DG Agri estimates that 73% of the extra value from exports was driven by increased volumes, with the remaining 27% stemming from higher unit prices. At €7bn, the EU trade surplus was €770 million bigger than in 2010. Finished processed goods accounted for 64% of agricultural exports, with partially processed products and commodities contributing 19% and 8%, respectively. The EU reported export growth to all major trade destinations with China accounting for the biggest surge. Depreciation of the euro against major currencies made EU agricultural exports more competitive globally. EU Agri-food imports also posted significant growth of 16% to a record €98.3bn in 2011. Finished processed goods accounted for 52% of import value, with partially processed products contributing 19%, and commodities 28%. The EU is the world's largest importer of Agri-food goods, ahead of the U.S., which saw a 14% rise in imports in 2011.

Monitoring Agri-Trade Policy

FAS Italy Regional REPORTING

IT1212	Italian 2012 Grain and Feed Report
IT1213	European Court Likely to Rule Italy's Biotech Authorization is Illegal
IT1214	Agricultural News for the Month of April
RB1205	First U.S. Biogas Digester Technology in Serbia
BK1203	Bosnia Equips Two Laboratories for Biotech Testing
BK1204	Ljubomir Kalaba Appointed Bosnia's Chief Veterinary Officer
HR1206	Croatia Beef Market Product Brief
GR1203	Greece 2012 Olive Oil Report
GR1204	Greece 2012 Sugar Report
GR1205	Greece 2012 FAIRS Report

Disclaimer – USDA FAS Rome agricultural news clips content is derived from major wires, news magazines, and mass distribution press. Inclusion of an item in USDA news clips does not imply USDA agreement; nor does USDA attest to the accuracy or completeness of the item.