

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Report Highlights:

Report contains agricultural news items of interest for Italy, the EU and the world for the month of July 2011.

General Information:

ITALY

How Pasta has Conquered the World

Oxfam has named pasta the world's most popular dish, ahead of meat, rice, and pizza. Recent figures from the International Pasta Organization show Italy is the largest consumer of pasta, followed by Venezuela. Global sales figures reflect the world's love affair with pasta – increasing from \$13 billion in 2003 to \$16 billion in 2010. Italy is the world's leading pasta producer, with production of approximately 3.2 million metric tons (MMT) valued at around €4.4 billion and exports of 1.8 MMT, valued at €1.8 billion. The United States (2.5 MMT) is second leading producer and Brazil (1.3 MMT) is third. The Italian pasta industry imports a large part of the durum wheat it uses to make pasta from the United States and Canada, which account for more than 50 percent of Italy's total durum imports. In fact, Italy produces around 3.7 MMT of durum wheat but imports more than 2 MMT (valued at more than €500 million). Moreover, Italy is importing increasing amounts of durum wheat due to decreased profitability of durum production in Italy.

So how did pasta become so popular? It's because it is cheap, versatile and convenient. But pasta is also relatively easy to mass produce and transport, making it a popular product with both consumers and producers. Pasta has global origins and is not purely Italian. The Greeks and Romans had pasta-like foods but they tended to be baked, not boiled. Ancient China had dumplings, but it's a myth that the Venetian explorer Marco Polo returned from China with pasta in 1295. The most accepted theory is that the Arab invasions of the 8th Century brought a dried noodle-like product to Sicily, made from durum wheat. Like this early pasta, pasta made in Italy today, by law, can be made only from durum wheat. *BBC News*

FEATURE ARTICLE

FAS/Rome Hosts Discussion on Biotechnology

FAS/Rome organized a roundtable discussion with Jack Bobo, State Departments' Senior Advisor for Biotechnology, and high level Italian officials from the government, agriculture, industry, and farmers' associations to discuss food security, climate change and biotechnology. Following the discussion, guests enjoyed a U.S. wine tasting reception, highlighting a selection of California's finest wines. While in Rome, Mr. Bobo also spoke at the UN's Food and Agricultural organization (FAO) on "Food Security and Biotechnology."

He also discussed biotechnology with his Excellency Bishop Marcello Sanchez Sorondo, Chancellor of the Pontifical Academy of Social Sciences at the Vatican.

Mr. Bobo also gave an exclusive interview to [Il Sole 24 Ore](#), a leading Italian business newspaper, entitled "Europe is Already Leader in the GMO Sector." In the interview, he stressed the important role that GMO's play in facing the challenges of food security and food productivity. *Il Sole 24 Ore – Agrisole*

THE EUROPEAN UNION

WTO Grades EU on Free Trade

According to the World Trade Organization (WTO), the EU should keep striving to match its deeds to its rhetoric and embrace further trade and investment liberalization, while encouraging further CAP reforms aimed at reducing trade distortions. The EU's decision to refrain from pursuing further protectionist measures during the economic crisis has brought "stability" to the multilateral trading system; with 85% of EU imports arriving under the WTO's Most Favored Nation (MFN) principle (low tariff rates applied to one country must be granted to all others). By not putting 'buy local' schemes in place, the EU has managed to dodge the prospect of conflicts with other WTO members.

While the EU's Common Agricultural Policy (CAP) has shown signs of evolving into a less trade-distorting body, the level of farm subsidies being paid out in the bloc is still high, the WTO believes. "It is important that the EU consider carefully the possible trade impact of its regulatory environment, including its high standards as regards food safety... technical regulations should not create unnecessary obstacles to trade with third countries", this week's report states." The report goes on to salute EU moves to boost the ability of the poorest countries to gain a foothold in exports - the lion's share of which are currently agricultural goods. The EU and its member states are among the leading providers of aid for trade, the WTO acknowledges, exceeding targets agreed at multinational level to reach €2 billion each year. *AGRA News*

EU Bans Egyptian Seeds after EFSA Draws E. Coli Link

Brussels has enacted a temporary import ban on all Egyptian seeds and beans for sprouting, and has ordered withdrawal from the market of Egyptian fenugreek seeds imported between 2009 and 2011, signaling a belief that the origin of this year's deadly E. Coli outbreak has finally been identified. The European Food Safety Authority (EFSA), the EU's food safety watchdog has confirmed that a consignment of fenugreek seeds from Egypt is likely to have caused both the deadly E. Coli outbreak in Germany and the more recent cases in France. The E. Coli crisis, which has accounted for 48 deaths in Germany and one in Sweden, was originally thought to have been caused by tainted salad vegetables, before the spotlight shifted onto a sprout farm in the Hamburg region - and then onto the seeds themselves. *EFSA webpage*

EU/BIOFUELS: Seven Sustainability Schemes Recognized

The EU Commission has recognized seven certification bodies, which for the next five years will check the sustainability of the biofuels the EU imports. Only after they are certified sustainable will the fuels be imported and marketed in the EU. This measure was taken in an effort to safeguard tropical forests and carbon rich peat lands to ensure they are not turned into oil palm or sugarcane plantations. The measure will also guarantee that biofuels used in the EU deliver tangible greenhouse gas savings, compared to traditional fossil fuels.

Agence Europe

Hungarian GMO Row Erupts as Crops are Destroyed

About 400 hectares of GM maize were destroyed in Hungary because they contained GM traces above the 0.1% authorized level, while a further 2,500 hectares of non-GM crops, (believed to have been affected by cross-contamination), remain under inspection and could also be destroyed. Hungary is one of four EU member states implementing a zero-tolerance approach to all GM food production. However, Pioneer (one of the biotech firms producing the seeds in question) claims that the decision to destroy the crops came too late to prevent them from being planted, and was based on false information. Hungary is reported to have taken two

and a half months to decide that 277 bags of Pioneer seeds held for sampling contained unacceptably high levels of GMO traces. *AGRA PRESS*

EU Member States Want Payback for U.S. Beef Quota

The Netherlands, Ireland, and Hungary are leading a push for the EU to secure market access for its beef and veal exports to the United States. Member States have called on the Commission to revisit the issue with the American authorities as the EU has not been able to export beef to the country since the BSE crisis. The EU Commission tabled a proposal aimed at amending EU legislation to accommodate the high quality beef import quotas agreed with the United States and Canada in order to resolve the long-running beef hormone dispute. Hungary, Belgium, and Italy have called on the Commission to ensure that sound quota management rules permit equal access to the new North American beef flows for all EU importers. Demand on the European side exceeds the capacity of the United States and Canada to supply high quality beef under the quota. Member States used the opportunity to push for a commitment from Brussels to raise the issue of U.S. market access for EU beef and veal— subject to "unjustified" control requirements. Only last month the United States indicated its own satisfaction with provisional implementation of the deal, announcing that it was ready to lift the retaliatory measures it had taken in response to the EU ban. The United States had agreed to lift all punitive tariffs by the end of 2012 under 'phase 2' of the agreement. In March, the EU and Canada sealed an agreement, which ended their own beef hormone spat, and opened up a new stand-alone high quality beef quota to the North American country. *AGRA News*

MEPs Seek to Expand GMO Opt-Outs for EU States

EU Member States are asking the EU Commission to allow them to ban GMOs on environmental as well as moral grounds. Brussels originally had proposed to maintain the EU-wide authorization system for biotech cultivation but with a limited ability to opt-out of EU authorization, based on moral/ethical grounds.

Parliament now is asking that these grounds be extended to environmental reasons, including potential cross-contamination of crops, resistance to pesticides, and possible threats to biodiversity. *AGRA PRESS*

FAS Italy Regional REPORTING

IT1127 - Italy Intends to Invoke Safeguard Clause

IT1128 - Agricultural News for Italy EU and World June 2011

IT1131 – Italian Agricultural Biotechnology Annual

GR1106 - Greece Poultry Annual 2011

HR1111 - Croatia Agricultural Biotech Annual

HR 1112 - Croatia FAIRS (Food, Agriculture and Import Regulations) 2011

BK 1106 – Bosnia and Herzegovina Fishery Products Update

BK 1105 - Bosnia and Herzegovina Agricultural Biotechnology Annual

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