

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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: 2/11/2013

GAIN Report Number: IT1306

Italy

Post: Rome

Italy and Sustainable Agriculture Overview

Report Categories:

Market Promotion/Competition

Approved By:

Christine Sloop

Prepared By:

Dana Biasetti

Report Highlights:

In Italy, sustainability is synonymous with organic, as consumer demand for separate “sustainable” food certification is very low. Unlike other EU countries, Italy does not have any legal requirements when it comes to sustainability, while it does encourage businesses and farmers to improve environmental standards and act responsibly, providing financial incentives for local businesses and Regions who wish to apply sustainable farming practices. However, uniform sustainability criteria have not yet been defined.

General Information:

Italy and Sustainable Agriculture Overview

In Italy, sustainability is synonymous with organic. In general, consumer demand for separate “sustainable” food certification is very low. Italians essentially believe that organic is sustainable. Italy has the largest area of organic cropland in the EU and is a major exporter of organic products in Europe. However, official intra-EU organic trade data remains difficult to track, given the number of intra-EU equivalency agreements and agreements with non-EU countries. The Italian Ministry of Agriculture reports that in 2010 Italy imported from extra-EU countries 74,000 tons of organic goods. Italy is a net exporter of organic food (mainly processed) with most of its €900 million production shipped to other EU Member States, the United States and Japan.

The earliest pioneering experiences in organic agriculture date back to the 1960s, when farmers and consumers sought to improve their quality of life, the food they consumed, and began applying sustainable farming practices. Currently over 90 percent of Italian organic operators are members of FederBio. During the 1990s, the organic sector in Italy showed one of the largest average annual growth rates in Europe in terms of land under organic management. Since then, Italy’s organic area has grown to around 1 million hectares. Seventy percent of agricultural land in Italy is cropland (permanent and arable crops), and key crop categories are cereals, green fodder from arable land, olives and grapes. In Italy, there are 43,230 organic producers, 2,564 of which process their own products, 5,223 processors, and 260 importers.

During the past ten years Italy has shown a heightened awareness in rural development issues, ensuring the farmer has taken on a new role in society, from producer of food products and services, to the conservation and sustainable use of biodiversity. In many cases, however, agricultural biodiversity and sustainability is still seen as a side issue of agricultural and production policies in Italy.

Italian Government Initiatives

Italy ratified the Convention of Biological Diversity (CBD) in 1994, but drafting the required National Plan for Biodiversity was lengthy and difficult because of the lack of coordination among the Ministries involved. Indeed, two draft Plans were prepared in the late '90s, one on agricultural biodiversity (for the Ministry of Agricultural, Food and Forestry Policies – MiPAAF) and one for natural biodiversity (for the Ministry of the Environment), but no single national plan was conceived. In 2004, Italy ratified the Treaty on Plant Genetic Resources, Food and Agriculture (ITPGRFA) with an ad hoc law that devolved the power to implement it to the Regions. This launched a phase of negotiations between Regional and national governments which ended in 2008 with the approval of the National Plan for Agricultural Biodiversity (PNBA) within the State-Region Conference.

As in all European Union countries, organic farming in Italy is supported by the European Union’s rural development program. The Italian National Action Plan for organic agriculture and organic products was launched in 2005, and targets global marketing, support and develop of organic production and related supply chains, enhanced consumer information, and improved sustainable farming practices

and services.

Unfortunately, unlike the organic sector, the Italian government does not currently have any legal requirements when it comes to sustainability. The Government does encourage Italian businesses and farmers to improve environmental standards and act responsibly, and provides financial incentives for local businesses and Regions who wish to apply sustainable farming practices. However, uniform sustainability criteria have not been defined. Recently, the Lombardy region allocated € 4.5 million in favor of Lombard rice growers that apply sustainable farming techniques. The funding is to be used to encourage sustainable rice production, agricultural conservation, with the use of minimal tillage and direct sowing. A total of 44,000 hectares of rice have been set aside for this project. The grant comes from the Italian Ministry of Agriculture's Rural Development Program.

In Europe and in Italy, EMAS, the Environmental Management and Audit Scheme, is regarded as the reference scheme for environmental certifications. Italy has endorsed EU Regulation 1836/1993 - later updated by Regulation 761/2001 - through the 1996 Ministerial Decree which introduces EMAS II. EMAS is a voluntary instrument, to be associated with direct regulation provisions such as "command and control" measures, finalised to internalise environmental quality objectives into the managing processes of organisations and enterprises. EMAS provides companies with the opportunity of a public recognition and the possibility to spread information on the improvement of their environmental performances. Every EMAS-certified manufacturing site is recorded on the Gazette of the European Union and gets a quality mark by the Commission for the registration of EMAS sites and ecological marks, which operates in Italy since 1997.

Italian Retailers

Few Italian retailers have started to focus on sustainability and while consumer awareness may be growing, their understanding is still relatively limited. Projects range from creating easily disposable packaging, using recyclable materials, reducing water consumption, increasing photovoltaic systems to supplement energy needs of plants, to using new production technologies that have a lower environmental impact. "Coop" is the most important mainstream Italian retailer, with a turnover of €78 million in 2010, to pitch sustainability. In 2009, Coop started rebranding its organic «Bio-logico» product offering and launched its «Vivi-verde» (live green) private label. The products including organic food and eco-labeled items (detergents, low energy light bulbs, etc.). Next in importance comes the Esselunga chain with its private label range «Esselunga Bio». Like Spain, Italy is facing difficult economic times, which is seriously affecting consumer choices and spending. Nonetheless, there are niche opportunities for U.S. sustainable seafood and wood. The promotion of wild Alaskan seafood and sustainable American hardwood can definitely have a cache' among discerning Italian consumers.

Environmental Concerns

Italy, as an EU country, signed the Kyoto Protocol in 2001, and belongs to the EU ETS schemes. Key challenges in Italy include the dominance of oil/gas as energy supplies, inefficient waste management

and water scarcity in several regions. Companies and sectors (such as glass, ceramic and cement industries) which are expected to reduce their gas emissions have been identified and their reduction targets assigned. However, in recent years, progress in achieving the 34 Kyoto objectives has been slow at the national level, due to reluctance by businesses and the government to hinder the already feeble economy.

Sustainable Products and Services

The number of companies working on sustainable products is slowly growing, especially in the mass market. There are also some good examples of innovation in the service sector (especially for waste management and green energy). The Ministry of Environment has a new Sustainable Products and Services Program promoting Green Public Procurement and local programs to increase green consumer policies. The main challenges in Italy are engaging public authorities in the sustainability debate and enforcing a strategic approach towards implementing sustainable practices.

Case Study

The Barilla Center for Food & Nutrition (BCFN) is an Italian center of multidisciplinary analysis and proposals which aims to explore the major issues related to food and nutrition on a global scale. BCFN has taken these considerations for sustainable agricultural production to heart, releasing the publication “New Models for Sustainable Agriculture”. The position paper gathers descriptions of the main agricultural models employed all over the world and offers six examples of different landscapes committed to sustainable crop development. Moreover, Barilla decided to directly undertake research on Italian durum wheat sustainability in four regions, which are sufficiently representative of the rotations in which durum wheat is grown. The results show that the correct application of knowledge and agricultural practices not only improves crop yields and the quality of products, thus allowing an increase in the income generated by crops, but also reduces the environmental impacts (up to 35% less greenhouse gas emissions) due to an increased efficiency of fertilization.

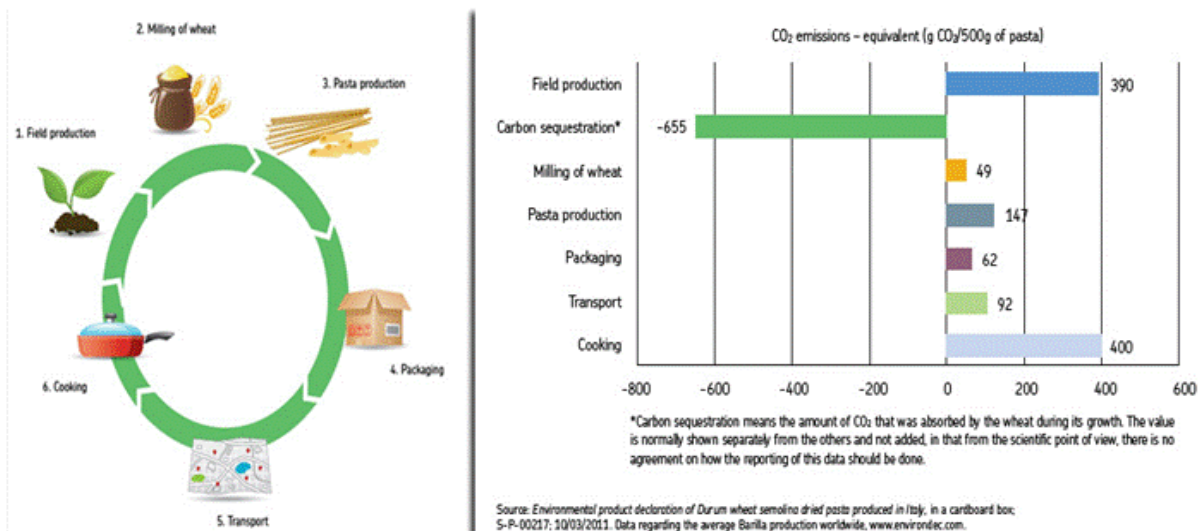


Figure 1. Results of a Life Cycle Assessment (LCA) analysis of durum wheat for pasta, from field production to cooking.

In light of the results of this study, Barilla developed a list of guiding principles for farmers facing the complex challenges in agricultural landscapes:

- Alternate crops: plant durum wheat in a favorable crop rotation. Monoculture and rotations exclusively of cereal crops are, in fact, the cause of high environmental impacts and low profitability.
- Work the soil with respect for it: choose the tillage in a flexible manner, using tools and depth of working that are adapted to the specific conditions, climate and cropping system in which durum wheat is inserted, according to the following guidelines.
- Use the best variety: choose the variety to be sown in relation to the cultivation area and expectations in terms of productivity and technological quality.
- Use only certified and tanned seeds: only certified seed ensures varietal identity (production capacity, technological quality and resistance to adversity) and seed quality (purity, germination).
- Sow at the right time: each variety has an ideal time of planting, which can vary according to the cultivation area and weather conditions.
- Use the right amount of seeds: choose the density of sowing in relation to the variety, the area, the time of sowing and soil conditions, since planting too thickly prevents the crop from making the best use of resources, promotes the development of diseases and causes enticements.
- Restrain weeds in a timely manner: the treatment must be timely and appropriate to the type of weeds present and the environmental conditions and cropping practices.
- Dosage of nitrogen according to the needs of the plant: the use of nitrogen fertilizer should be adequate, both in terms of quantities supplied and the periods in which they are used.
- Protect the plant from disease: carry out the treatments of defense in relation to conditions of risk and adopt a comprehensive strategy that involves all aspects of cultivation.
- Extend sustainability to the farming system: place the cultivation of the durum wheat in the cropping system (rotation) without limiting it to the context of individual crops, but, rather, apply sustainability measures to the overall management of the farm.

