

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 April 2011.

General Information:

Italian Ag News

ITALY

TTB Signs Agreement with Italy's ICQRF

On April 12, 2011, the Alcohol and Tobacco Tax and Trade Bureau (TTB) Deputy Administrator, Mary Ryan and the Italian Inspector General of the Central Inspectorate for Food Quality and Fraud Repression (ICQRF) of the Ministry of Agriculture and Forestry, Giuseppe Serino, signed a Memorandum of Understanding (MOU) intended to establish a consistent channel for the cooperation and exchange of information for the purpose of combating fraud in the production of and trade in alcohol beverages. The MOU signed in Washington establishes a consistent point of contact on issues of mutual interest in the regulation of wine, distilled spirits, and malt beverages issues, and provides a friendly cooperative framework for working together to resolve issues before they negatively impact either party's market. TTB website

FEATURE ARTICLE

The Villa Taverna ORTO

On April 8 the U.S. Ambassador to Italy David H. Thorne and his wife Rose inaugurated "the Villa Taverna Orto" which is located in the gardens of the official residence at Villa Taverna and was made possible thanks to the Foreign Agricultural Service office. FAS organized a design competition with an Italian Agronomist High School, "Istituto Tecnico Agrario Statale Giuseppe Garibaldi" with the mentorship of the Rome Order of Doctors of Agronomy and Forestry. All of the Orto designs were reviewed by the Ambassador and Mrs. Thorne, and in appreciation for their hard work, all of the projects received an award in recognition of their commitment and dedication. The Orto at Villa Taverna highlights the best features of each project. The ORTO provided the Ambassador and Mrs. Thorne the opportunity to highlight the importance of healthy eating habits at a time when obesity and diabetes have become an important health concern in both the United States and Italy. Like Secretary of Agriculture Vilsack's "People's Garden" and Michele Obama's White House garden, the Villa Taverna Orto is a perfect example of how vegetable gardening can be an environmentally-friendly, healthy activity that promotes healthy eating habits. The Villa Taverna ORTO will be used year-round as a kitchen garden to provide seasonal produce for the Ambassador's residence. The new Orto at Villa Taverna measures 18x18 feet and will provide crop rotation all year round with a variety of vegetables and herbs.



THE EUROPEAN UNION

EU Needs Science in Policy Making Decisions

The EU is being urged by some Member states to appoint a chief scientist in order to improve the policy process in Brussels. Currently scientific views are channeled through EU select committees, but these are held back in their ability to add value to EU policy-making by the fact that their agendas are set for them. AGRA Europe

Expect Little Growth in EU-U.S. Trade this Year

While world trade continues to expand, bilateral EU-U.S. trade is not keeping up with this pace of growth. Two separate reports recently reported that during the seven-year dispute over government subsidies to Airbus and Boeing, a World Trade Organization panel found fault with certain subsidies to Boeing. At the same time, the U.S. Trade Representative (USTR) unveiled its priorities for the next year and singled out most parts of the globe for intensified efforts with one notable exception - the EU. Doubling U.S. exports by 2015 is the center piece of President Barack Obama's trade agenda and expanding into previously untapped markets in Asia and Latin America are his primary means of achieving this. With transatlantic trade in goods and services valued at nearly trillion U.S. dollars in 2010 and U.S. investment in the EU worth \$1.7 trillion in 2009, the EU-U.S. market is most certainly not viewed as one of these untapped markets. Europolitics

EU Releases Study on “Implications of Asynchronous GMO Approvals for Imports of Animal Feed Products”

Following are highlights from the study commissioned by the EU and carried out by the Landbouw Economic Institute (LEI) in the Netherlands.

- The EU is highly dependent on imported vegetable protein as an ingredient for livestock feed and this is increasingly produced with genetically modified (GM) crops. During the last three years the EU imported on average 34.1 million metric tons of soy meal equivalents, which accounted for 30% of the total tradable amount in the world market.
- The EU risks losing vital trade links with animal feed suppliers such as the U.S., Argentina and Brazil, if it fails to keep pace with GM approvals in third Countries.
- There is only a limited possibility to replace livestock feedstuffs by restructuring of trade patterns, particularly because segregation of supplies of approved events does not seem possible. High costs of segregation, testing and analytical uncertainty and high failure risks and costs will lead economic agents (producers, traders, processors) to avoid segregation. Given zero tolerance for EU unapproved GMOs, asynchronous GMO approvals result in major risks of trade disruption.
- Blockages of soy meal from the EU's main suppliers as a result of traces of non-authorized GMOs would result in a soybean price increase of over 200% and could see farm profits drop by around €3 billion for the beef sector, €1.2bn for the dairy sector & €1bn for the pig meat sector.
- Despite possible gains for domestic feed producers, the overall cost to the economy of such disruptions would total €9.6 billion.
- The likelihood of Low Level Presence (LLP) of non-authorized GMOs in EU feed imports is forever increasing as new GM varieties are increasingly developed & exporters “cannot cope” with the logistical capacity of segregating GM material that is EU authorized from unauthorized.
- The current producer premiums for non-GMO soy and maize have more than quadrupled in the USA from 2000-2009.
- Global competition for access to livestock feedstuffs is growing with developing countries such as China showing a surge in demand for protein crops.
- Among its recommendations, the study encourages the EU to accelerate the authorization processes for novel GM events & favors the harmonization of LLP rules at the global level.

GM Crops: Global Socio-Economic and Environmental Impacts 1996-2009.

PG Economics (UK) publishes an annual report which covers the economic and environmental impacts of biotech crops worldwide. Some of the main points of this years' report are:

Biotech crops have contributed to significantly reducing the release of greenhouse gas emissions from agricultural practices - in 2009, this was equivalent to removing 17.7 billion kg of carbon dioxide from the atmosphere or equal to removing 7.8 million cars from the road for one year;

Biotech crops have reduced pesticide spraying (1996-2009) by 393 million kg (-8.7%) and as a result decreased the environmental impact associated with herbicide and insecticide use on the area planted to biotech crops by 17.1%;

There have been substantial net economic benefits at the farm level amounting to \$10.8 billion in 2009 and \$64.7 billion for the fourteen year period. www.pgeconomics.co.uk

FAS Italy Regional REPORTING

- Sugar Report 2011 (Italy) IT1108
- Fishery Report (Italy) IT1110
- Release of Detained Pacific Cod Shipment (Italy) IT1111
- Release of Detained Infant Formula Powder Milk Shipment (Italy) IT1112
- Released of Detained Pet Food (Italy) IT1113
- Exporter Guide (Italy) IT1114
- Sugar Report 2011 (Greece) GR1102
- EU Strengthens BiH Phytosanitary Service (Bosnia and Herzegovina) BK1103
- Dried Beans Product Brief (Croatia) HR1108
- Release of Detained Salmon Shipment (Croatia) HR1107
- All reports are available on: <http://gain.fas.usda.gov/Pages/Default.aspx>

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