

Italian agri-food

Italian Agri-food

Italian regional identity recognizable on a global scale



The Italian minister of Agricultural, Food and Forestry policies, Luca Zaia has presented in New York the Vinitaly World Tour (October 2009).

With over 4,000 artisans and 185 denomination of origin food products, the importance of Italian agriculture to the national gross domestic product is matched only by the regard with which authentic Italian products are held in diverse global markets.

Thus, in 2003, the Ministry of Agricultural, Food and Forestry Policies (Mipaaf) decided that a dedicated organization was required to successfully realize the potential of the Italian agri-food sector on the international stage. As the second-largest domestic sector in the country, the economic value of the agri-food is evident, but equally the identity that distinguishes traditional products from imitators clearly needs to be protected. An Italian denomination of origin export represents not only the national patrimony but also those of each of Italy's regions, lauded for the individual flair of products as much as the meticulous processes that ensure the excellence of Italian food and wine, and that in turn provide the main draw to consumers the world over.

"Buonitalia Spa was created by the Ministry of Agriculture and Forestry to provide the Italian agri-food system with a control committee

able to ensure authenticity and to strengthen the competitive capacity of Italian products on the global market," said Walter Brunello, chairman of Buonitalia Spa. Working alongside several national producers' associations, and the Italian Trade Commission, Buonitalia Spa strives to position Italian food and wine products strongly within international markets while protecting the integrity of those products against imitation. It is a considerable task, as figures from the Trade Commission for 2008 show that the total export value of authentic products reached \$3.5 billion while the global revenues reaped by imitation products in the same period topped \$4.5 billion. Imitation may be a form of flattery, but safeguarding the identity of a national sector from cheap pretenders is paramount to the success of Buonitalia Spa mission.

"The globalization, promotion and protection of the 'Made in Italy' brand on the

international stage, taking into account all the realities of the agro-industrial sector, is the governing objective of Buonitalia Spa," asserted Brunello.

A Mipaaf-approved activity program, including a heavy presence at international trade fairs and concerted marketing campaigns, has been put into place with

and provide work for many families. That is reason enough to protect them in every way possible. We will fight everywhere against imitation, counterfeiting and identity theft. Our purpose is to awaken the love of food around the globe with quality, traditional Italian food, which is the result of strict manufacturing standards.

"We are convinced that the best way to promote Italian agriculture is to aim at the quality of our productions. For this reason, we have launched the Project for the logo's registration of the PDO and PGI products and their international legal protection."

Luca Zaia
Minister of Agricultural, Food and Forestry Policies

Buonitalia Spa at its vanguard to ensure the integrity of Italian products for consumers, and to redress the imbalance of revenues. Buonitalia Spa places great emphasis on the intrinsic ties between agri-food regions and the products for which they are famous, reinforcing the image of authentic Italian products while meeting the influx of counterfeit products flooding the market head-on.

To achieve these goals Buonitalia Spa wants to strengthen the perception of the Italian agri-food brand worldwide, especially in the most important markets, by enhancing the relationship between product and territory. "We have always supported initiatives that contribute to strengthening the protection of our products. Foods that have a name, be it cheese, wine, meat or fruit and vegetables, are a heritage of high quality which promotes the preservation and maintenance of our land

And when we talk about quality, we do not only refer to the exquisite flavors with which our kitchen has a huge reputation, but also the nutritional properties of our PDO (Protected Designation of Origin) and PGI (Protected Geographical Indication) products," said Walter Brunello.

Two of Buonitalia Spa main markets are Japan and South Korea, where demand for authentic Italian products has taken off in recent years. This has created an opportunity and a challenge for Buonitalia Spa, as bona fide Italian products jostle for market space with cheap imitations bearing false labeling, claiming authenticity. A 2006 reform to the licensing law in Japan opened up a new retail market for alcoholic beverages, resulting in a proliferation of direct sale establishments catering to a discerning client base. The market took a little time to catch on, but after a few years of steady figures the

International Wine and Spirit Record (IWSR) reports that sales are up 7 percent on previous years, and predicts a total of 335 million bottles of red and white wine will fly off shelves in 2011. Additionally, sales of sparkling wines are expected to leap to 35 million bottles – a staggering rise of 117 percent compared to figures for

2002. Similarly, the market for Italian wines in South Korea has risen 30 percent year-on-year since 2003. Within five years, the IWSR expects South Korea to rank third in terms of consumption in Asia, behind only China and Japan. Like the emerging South Korean market, young Japanese consumers have become opinion leaders of Italian wines, with the Tuscany, Piedmont and Veneto regions the most popular. While exports to the European Union last year decreased by 10 percent, sales in Japan increased by 6 percent in terms of volume. In Singapore, the figure surged to 17 percent in 2008 and in Hong Kong 27 percent, proving that East Asia represents a fertile market for the export of Italian wines, and supporting the foresight of producers and promoters who have invested considerably in bringing the joy of wine to new, passionate markets.

INTERVIEW WITH LUCA ZAIA

Minister of Agricultural, Food and Forestry Policies

Italian Minister of Agricultural, Food and Forestry Policies Luca Zaia started his political career as Councillor for Agriculture for the province of Treviso, three years later becoming its president and the youngest provincial premier in Italy. Minister Zaia's political platform has always been one based upon the preservation of regional identity. While serving in the capacity of vice president of the Regional Committee of Veneto between 2005 and 2008, his office was dedicated to this remit and Zaia was responsible for promoting and protecting the integrity of the Veneto region. Since May 2008, Zaia has held his current post in the fourth administration of Prime Minister Silvio Berlusconi.

Alongside Berlusconi, Zaia attended the recent summit of the Food and Agriculture Organization, which was focused on fighting the global food crisis. At 41 years old and fresh from his successes with the recent reform of the EU Common Agricultural Policy, Minister Zaia is working on a project for the protection of the quality and authenticity of Italian food. Widely viewed as one of the rising stars of the Italian political scene, Zaia is strongly in favor of seeking foreign markets for Italy's food sector. Here, he analyzes the potential and growing success of Italian products in the Japanese market.

Question: From November 16 to 18, the Food and Agriculture Organization World Food Security Summit was held in Rome. What agreements were reached?

Answer: During the FAO Summit we reaffirmed the commitments that we had already made during the G8 summit of the agriculture ministers last April and also those of the L'Aquila G8 Summit in July: To refocus our attention on international agriculture as the only efficacious antidote against world hunger, to fight against global food speculation and assist rural development in emerging nations while promoting an agricultural model that respects the identities and traditions of different countries. Financial commitments were also confirmed during the L'Aquila summit precisely on the basis of the agricultural conclusions reached by the G8: \$20 billion is destined to triennial investments that aim to develop target agricultures in emerging nations, reversing the trend of financial aid that has been distributed until now and that has often been found insufficient. Moreover, during the FAO summit, an initiative was drawn

up to create a "code of conduct", something that is needed to regulate so-called "land grabbing," the hoarding of land rented by foreign investors and subsequently subcontracted to local smallholders. The code will be used to make the process transparent and the external investments beneficial to farmers in emerging nations. We also talked about good governance. We realized that to better manage food security on a global scale there needs to be a process of streamlining and the elimination of red tape, combined with greater synergy between all of the international organizations involved, beginning right at the heart of the matter with the FAO.

Q.: How important is the Japanese market for Italian produce?

A.: We are convinced that the best way to promote Italian agriculture is to promote the quality of our produce, which mirrors the production knowledge in the different territories that characterize Italy. For this reason, we have launched a project to register and protect legally worldwide the PDO and PGI product logos, which the Ministry of Agricultural, Food and Forestry Policies will realize through Buonitalia Spa. With this initiative we intend to support the actions of the Protection Consortia and the Producers Asso-

exchanges with Japan, promoting our excellence produce.

Q.: The Italian administration is actively fighting food fraud. What measures have you taken to address this problem?

A.: We are convinced that the best way to promote Italian agriculture is to promote the quality of our produce, which mirrors the production knowledge in the different territories that characterize Italy. For this reason, we have launched a project to register and protect legally worldwide the PDO and PGI product logos, which the Ministry of Agricultural, Food and Forestry Policies will realize through Buonitalia Spa. With this initiative we intend to support the actions of the Protection Consortia and the Producers Asso-



Luca Zaia
Minister of Agricultural, Food and Forestry Policies

A.: Food market exchanges with Japan are a priority for us and the Japanese market is very important for Italy. In 2008, national exports reached 533 billion euros, with a 10 percent increase over the previous year. Regarding the wine market, Japan represents the sixth-largest market: In 2008, it imported Italian wines worth more than 103 billion euros (a little less than 3 percent) with marked growth over 2007. In the first months of this year, a decrease has been recorded aligned with the general wine exportation balance, due to unfavorable circumstances, even though in the quality wine promotions in other countries great importance is given to Asian markets, and the Japanese market in particular. The growth of the Italian export food market has continued overall, with a 4.4 percent increase in the first eight months of 2008. A result, this time, of an opposite tendency with general dynamic. This means that we have to continue increasing

ciations to counter unfair competition and counterfeiting in foreign markets. The project acts on three fronts: foreign registration of the Italian PDO and PGI trademarks; the constant monitoring of the markets to identify usurpations of the products of excellence; and the activation of legal procedures protecting Italian PGI. A databank is under construction to be shared among the operators and the structures involved to monitor all information about registrations, counterfeiting and international laws.

Q.: How would you describe Italy's relations with your Japanese counterparts?

A.: There is good collaboration between the Italian and Japanese governments, and the relationship with the previous Minister of Agriculture Shigeru Ishiba, who I had the honor to meet during the agriculture ministers' summit that Italy organized in April, was excellent, as I am sure it will be with my new counterpart, Hirotaka Akamatsu.

Economic data

Minister of Agricultural, Food and Forestry Policies: Luca Zaia

Italian agricultural sector, 2nd in Europe, with more than 1.7 million companies and 15 million hectares of arable land (49% of the entire country). Italy is the European leader for bio-agriculture, ranking 5th in the World, with more than 45,000 companies working on 1.1 million ha.

Agroindustry:

Total turnover of €240 billion, 15.7% of GDP. 32,000 companies in agroindustry; 185 certified products PDO, CDO and PGI. EU leader with 21% of European certified products. Main products exported to Japan: pasta, tomatoes, extra-virgin olive oil, wines, mineral water, fish (tuna), citrus fruit (oranges, lemons...).

Trade Balance:

Exports : €24 billion
Imports : €32 billion

For more information:

www.politicheagricole.it ; www.buonitaliaspa.it ;
www.agricolturaitalianaonline.gov.it

Italian agri-food

Buonitalia initiatives for the lifestyle of Japanese consumers

Italian food is beloved the world over and that affection extends to the farthest reaches of the East. Italian fever has taken over Japan, where the Mediterranean country's quality foodstuffs – from delicate pastas to savory cured meats – are in increasingly high demand.

The surge in popularity is thanks in part to Buonitalia Spa, the leading Italian company responsible for promoting, internationalizing, and safeguarding Italian agricultural, food and wine products. The company has begun promoting the Italian wine-and-food tradition in the Japanese market, in connection with the country itself and its cultural heritage. Buonitalia Spa has noted a connection between the top-notch culinary products that Italy produces and the current trends and lifestyle of Japanese consumers. No longer just a cuisine that is available in strictly Italian restaurants, Italian food has become commonplace from Tokyo to Kyoto.

Japanese and Italian cooking have very rich and well-established culinary traditions. Similar ingredients, such as Japan's rice noodles and Italy's egg spaghetti or Japan's sesame oil and Italy's olive oil, make for a harmonious meeting of flavors in the kitchen. Japanese people, particularly youths, are increasingly familiar with the dietary habits of Western Europe, increasing the regular consumption of Italian products in their home kitchens and the trendiest new restaurants.

Buonitalia Spa has chosen the *aperitivo* (a typical Italian lifestyle similar to the Japanese *izakaya*) as the ideal format to promote Italian agri-food in Japan. The company is creating a temporary aperitivo bar installation in one of Tokyo's most exclusive districts, Omotesando-Aoyama. The *Aperitivo-Tokyo* event will begin in spring 2010 and will continue for six months, showcasing the wine and food products from "real Italy"; flavors from all regions of Italy will be on display. The event is the result of a careful analysis in the consumer tendencies of the Japanese market and will become a precious means of promoting some appreciated Italian products as well as new styles of cooking and cultural tendencies.

Additionally, in collaboration with the Istituto Italiano di Cultura of Tokyo, the first training class on Italian wine for Japanese sommeliers will be started in 2010, to increase the number of wines on the wine lists in Japanese restaurants, which usually offer French products, and make those sommeliers the first supporters of Italian wine in Japan. A beginners' course is available for aspiring sommeliers, while a second course is aimed at improving working sommeliers' knowledge of Italy's world-renowned wine production. In 2007,

Buonitalia Spa collaborated with the Italy Sommelier Association (AIS) to create the first Italian Sommelier Training Handbook in the Japanese language, which is going to be used at the training class.

On an agricultural level, Buonitalia Spa is planning

distinguish between genuine and fake labels.

The PDO (Protected Designation of Origin) label is guaranteed by the European Union, and was created to promote the authenticity and artisanal characteristics of certain foods and agricultural products. Skilled arti-

tinues to register positive sales growth and is deeply affecting the majority of Italian consortia. To combat food pirates, Italy is stepping up efforts to protect its food heritage, with Parmigiano Reggiano Consortium spearheading the fight. For example, knock-off Parmigiano Reggiano cheese is frequently sold in Japan.

Buonitalia Spa has launched a series of initiatives in Japan to inform Japanese foodies on how to recognize and use authentic Italian food and wines. "Through its efforts, Buonitalia Spa seeks to promote the value and unparalleled quality of all the products that sport the Made in Italy label," said Brunello. "We aim to bridge the gap between Japanese and Italian culinary cultures."

This international perspective is helping to take delicious Italian products to the four corners of the world. Buonitalia Spa, the Italian Trade Commission and the Vinitaly World Tour travel to many of the most important cities in China, South Korea, India, Singapore, Russia and more.

In Tokyo, Buonitalia Spa participated in the most recent Foodex trade fair where the company promoted the organic Italian agri-food productions. Conversely, the company has made an effort to increase Japanese operators' participation in the most important food and wine fairs in Italy to form a mutually beneficial relationship that can evolve in both nations.

"The growing attention that Japanese consumers are demonstrating toward Made



Walter Brunello
Chairman of Buonitalia Spa

an educational tour of some of the most productive areas of high-quality food products in Italy in the beginning of 2010. This Japan-based project is for a select group of journalists from the most influential Japanese newspapers, so that they may publish articles promoting the world-class production processes of Italian farmers and food-processing companies.

"Promoting the quality of

sans are engaged in producing the designated items in specific regions. Italy accounts for about one-fifth of all the PDO products in Europe (117 in total), which are split into the categories of cheese, fruit and vegetables, cold cuts or meats and olive oils. Alternatively, a PGI classification (Protected Geographical Indication) is a seal of origin; it is easier to obtain and the requirements are less strict.

"Buonitalia Spa has chosen the aperitivo as the ideal format to promote Italian agri-food in Japan. The *Aperitivo-Tokyo* event will begin in spring 2010 and will continue for six months, showcasing the wine and food products from "real Italy"."

Italian wines abroad is one of the key objectives of the Ministry of Agriculture," said Walter Brunello, chairman of Buonitalia Spa. "Japan is a very important market for us since we are one of their most important providers of wine. We aim to give as comprehensive information as possible about the characteristics and qualities of our wines to Japanese buyers and consumers." Buonitalia Spa is also involved in Vinitaly Tour Japan, a promotion campaign that will tour Japan's largest cities. "Each of our initiatives is conceived as part of a global campaign to promote Italian food and wines all over the world," explained Brunello. "The wine sector is fundamental for us and our top priority is to expand abroad, particularly in Japan."

Together with the Italian Association of Geographical Indications, Buonitalia Spa is developing a campaign to educate the Japanese public about the European system of Labels of Origin. Called Food Roots, the campaign aims at fighting fraud by teaching consumers how to

Vinitaly World Tour: Two stops for the East Asia market

Now entering its 44th year, the annual Vinitaly wine showcase in Verona is the biggest event of its kind in Europe and one of the most important vehicles for the promotion and distribution of Italian wine in the world. Some 45,000 international sector professionals attended the event in Italy this year, a new record, with representatives from more than 110 countries and over 150,000 visitors.

In a positive move for the international wine industry, and with the burgeoning East Asia market rapidly becoming a hotbed of opportunity for the Italian wine industry, which last year was the biggest exporter worldwide. Vinitaly's last stops on its world tour, which has been running since 1998 - Shanghai, Beijing, Hong Kong, Tokyo and Seoul - were specifically designed, in a collaboration among Veronafiere, the organizer of the Verona event, the Italian Trade Commission and Buonitalia Spa, to bring the Italian wine experience to a market eager to embrace the culture of Bacchus.

The arrival of Vinitaly in East Asia is testament to the importance of this emerging consumer market for Italian producers and the growing affinity for their products in a largely untapped market. Indeed, the medium- and long-term potential of East Asia, particularly China, Japan and South Korea, is seen as extremely promising at a time when demand in Europe, fueled by the global economic slowdown, is on the wane. Last year in Europe the total volume of vineyards shrank by a record 33,000 hectares to 3.82 million, according to Reuters.

Of some 50 leading Italian companies to attend the events were the Istituto Regionale della Vite e del Vino di Sicilia (Sicilian Institute of Viticulture and Wine), Uvive-Unione Consorzi Vini Veneti Doc (Veneto Association of Denomination of Origin Wines), Consorzio per la tutela del Brachetto d'Acqui (Association for the Protection of the Brachetto



Italian wine production is first in the world for quantity and quality.

d'Acqui label), Consorzio per la tutela Dell'Asti (Association for the Protection of the Asti label) and the Istituto del Vino di Qualita Grandi Marchi (Institute of Fine Italian Wine — Premium Brands).

The Vinitaly ethos is interactive, with scheduled programs at the Asia showcases designed to involve importers, distributors, restaurateurs, hotel chains and high-end consumers as much as possible, and to allow easy access for the viticulture and lifestyle media. Seminars, guided tastings and trade workshops have all been included in the program to disseminate the complex world of Italian wine to as many companies and consumers as possible under one roof.

This program, created and implemented by Veronafiere, Buonitalia Spa and the Trade Commission, will be complemented in 2010 by educational tours around Italy's main food - and wine-producing regions aimed at sector professionals, and sommeliers in particular, to provide a comprehensive introduction to Italian products and the regions from which they derive. Participants can then pass on the knowledge they have acquired at a local level in their home countries, to further enhance the understanding and appreciation of Italian produce in a market enthusiastic for and open to greater exposure. "Chinese cuisine," said

Walter Brunello, chairman of Buonitalia Spa, "in overall terms involves so many regional differences that the huge variety of Italian wines can potentially be matched with all these different tastes and preferences. Our objective is to match our wines with Chinese cuisine in the best possible and most extensive manner. We must stimulate the interest of Chinese consumers, even to the point of encouraging them to visit wine production centers in Italy."

"Thanks to the variety characterizing Italian wine production, we have an advantage compared to our competitors," added Brunello, "because we can suggest pairings between our wines and all traditional Chinese dishes. At the same time, we are also focusing on olive oil and cheese."

Although a relative newcomer to the world's most populous nation, wine sales in China are exceeding all expectations. The China Council for the Promotion of International Trade (CCPIT) expects consumption to breach 1 billion bottles by 2011. According to data released earlier this year by Business Week, Hong Kong has overtaken New York and London as the world's most important wine market.

"Today," said Yu Chen, secretary general of CCPIT, "China imports wine from 40 different countries and the promotion of Italy through Vinitaly is a truly effective tool because it also focuses on the culture of wine and food."

The future of Italian wines in the rest of the Asia region is also bright. Penetration of Italian wines in the Japanese market stands at 18 percent, with sparkling wines claiming a 20 percent stake in the national market. Italy combined to France, its traditional rival in international sales terms, account for two-thirds of all exports to Japan. "Japan has always given an excellent welcome to quality products made in Italy and, among those, wine undoubtedly holds a choice position," said Brunello. "We are one of the main beneficiaries of this deep-seated trend since

our country strengthened its standing as the second-largest supplier to the Japanese, behind France but ahead of the United States."

"Our mission is to educate food lovers around the world about the quality of our traditional foods and the rigorous standards under which they are produced. We are proud not only of the delicious taste for which Italian cuisine is world-renowned, but also the health characteristics of our PDO and PGI foods," said Brunello.

And Vinitaly does not stop with East Asia. Other exciting markets exist in India, where consumption is rising by 20 percent year-on-year, and Singapore, widely considered as the "wine gateway" to Southeast Asia. Vinitaly World Tour showcases are scheduled next year in New Delhi (Jan. 19 and 20) and Singapore (Jan. 21 and 22). According to industry analysis in 2006, sales of Italian wines in India were up by as much as 115 percent compared with a year earlier.

To reinforce its international image and improve consumer accessibility to the Italian industry, Vinitaly this year published Hugh Johnson's *Mini-Guide to Italian Wines*.

"Wine lovers often complain that Italian wines are difficult to understand. There are in excess of 100 grape varieties in regular use and hundreds more in limited use," says the author. The mini-guide was distributed to attendees of the Vinitaly World Tour in cities across the world, including New York, Chicago, San Francisco, Miami, Hong Kong, Shanghai, Beijing, Tokyo, Seoul, Moscow and Sao Paolo.

"I'm proud to announce this exciting world tour to showcase a representation of Italy's best wines," said Italian Agriculture Minister Luca Zaia of next year's Vinitaly Tour schedule. "I'm also very proud of VINO 2010, the groundbreaking collaborative effort by three of the leading organizations in Italy dedicated to introducing and educating the world about one of Italy's greatest patrimonies: our wines and our cuisine."

GEOGRAPHICAL INDICATIONS: PDO AND PGI

Protecting and enhancing the products with a geographical indication is a duty and a responsibility of the historical, cultural and social development of a country.

Otherwise, we run the risk of losing the geographical names that are crucial to local economies.

The qualitative value recognized by Europe is reserved for agricultural products and food quality to which it has been demonstrated that production is from a well-defined territory and for which there is a direct link between the geographical area and the quality.

In summary, the difference between an existing product PDO and PGI product is that in the first case it is necessary to demonstrate that the entire production process, supply of raw materials to final packaging, takes place within the geographical area determined by the product specification disciplinary. Such a test is not required for PGI, for which it is sufficient that at least one phase of production takes place in the defined geographical area.

Labels according to EC Regulation n. 510 of March 20, 2006

The label PDO (Protected Designation of Origin) means:
The name of a region, a locality or in exceptional cases, a country that identifies an agricultural product or food:
• from a particular region, area or country, whose characteristics and the quality is primarily or exclusively due to geographic and human factors, and
• the production, transformation and development taking place within the geographical area.

The PGI (Protected Geographical Indication) means:
The name of a region, a locality or in exceptional cases, a country that identifies an agricultural product or food:
• from a particular region, area or country,
• for which its qualities, its reputation and its characteristics can be attributed to its geographical origin and
• the production, processing and preparation take place within the geographical area.

vinitaly in the world 2009

- vinitaly Russia 6th edition May 2009
- vinitaly Japan 4th edition November 2009
- vinitaly US Tour 7th edition October 2009
- vinitaly India 4th edition January 2010
- vinitaly China 11th edition November 2009
- vinitaly Singapore 1st edition January 2010
- vinitaly Korea 1st edition November 2009
- vinitaly Miami 3rd edition February 2010