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Romania's Aflatoxin Problem in Dairy Proving Toxic

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Report Highlights:

On March 21 the Veterinary and Food Safety Authority (ANSVSA) released results of the veterinary inspection following reports of aflatoxin tainted milk being on the market. The report showed aflatoxin above acceptable levels detected in about 5 percent of the 1,335 samples taken. Consumer fears spurred on by media reports resulted with a drop in milk sales - by 45 percent in only a couple of weeks along with the resignation of the President of ANSVSA.

General Information:

Following the alert for an increased aflatoxin level in a milk sample collected at a dairy farm on March 5, the head of the Veterinary and Food Safety Authority (ANSVSA) called for an intensification of the verification process. The expansion of the national verification process for aflatoxin detection in milk (M1) included veterinary checks in 785 dairy farms, 177 milk collection centers, 134 raw milk distributing machines, and 239 processing plants. During this process, veterinarians collected 1,335 samples and out of this total number 67 returned positive for M1 aflatoxin presence in milk above the accepted level (5 percent of the total collected samples).

The distribution of the positive samples was: 34 samples in dairy farms, 5 samples in the milk collection centers, 8 samples from the raw milk distributors, and 20 samples from processing plants. In order to prevent the non-conforming milk from entering the food chain, ANSVSA decided to cease milk deliveries to processing plants/direct consumption from the affected farms, temporarily suspend direct milk sales to consumers through automatic milk selling machines. In the same time, the Food Safety inspectors withdrew from the market 193 MT of raw milk and 104 MT of dairy products.

On the affected dairy farms, feed was replaced and tests were conducted on the milk. Once test analyses indicate an M1 level within standards, milk would again be allowed to enter the food chain. The maximum accepted level of aflatoxin is 0.05 micrograms/kg, while the average level recorded for the collected samples is 0.015 micrograms/kg.

Weak communication strategy results in resignation

The milk aflatoxin issue was just a continuation of the recent challenges facing the food sector - horse meat mislabeling, suspicions on antibiotic residues in turkey meat and pesticide residues in vegetables. By ANSVSA not publishing the names of problem entities consumer confidence in local food products in general, and in dairy products in particular, has been shaken further. The Food Safety Authority has defended itself claiming that according to EU legislation information issued through the Rapid Alert System should be treated confidentially.

Public debate concerning the roles in administering the food safety system shared by the state authorities and private companies prompted ANSVSA to reiterate the responsibilities food sector operators have in ensuring food products comply with all provisions of the EU food legislation during each phase of production, processing, and distribution.

The continuing media pressure and accusations of improper communication to media and public led to the recent resignation of the President of the Veterinary and Food Safety Authority. One of the two Vice-presidents was appointed as the interim President.

Consumers panicked, milk sales dropped

Extensive media reports through all channels and outlets concerning the aflatoxin presence created fear among consumers, whose reaction was instantly registered in milk sales. According to the Romanian Dairy Processors Association, after only two weeks milk and dairy products sales had dropped in the aftermath of the aflatoxin scandal by almost half (45 percent). Dairy processors identified producing

more cheese and milk powder as two solutions in order to continue purchasing milk surplus from farmers in spite of falling consumer demand.

Despite publicly given assurances by the head of the Dairy Industry Association, farmers continued protesting against the inappropriate communication conducted by Government authorities, whom they consider "responsible" for spreading fear among consumers on the fitness of milk for consumption. In sign of protest, one dairy farmer spread about 10 MT of milk on his field.

Among processors, DANONE Romania, one of the country's largest milk processors, decided to stop purchasing milk from a particular partner farm (supplier) after a positive detection of aflatoxin. It then blocked release of about 75 MT of dairy products held in cold storage and withdrew from store shelves a certain quantity of its products on suspicion of possible contamination.

"Milk in school" Program under review

The Prime Minister announced that the ongoing program "Milk in school" should be reconsidered. On a daily basis this program, active for several years, provides a bagel and pre-packed milk to school children. The program's initial intent was to attract children from low-income families to attend school. However, in urban centers it is now recognized as providing few benefits to pupils thus viewed as a wasteful program. The Prime Minister view is that the program should be redesigned and be tailored on the children/parents needs, such as after-school programs.

Dairy producers, however, view any limitation or discontinuation of the program as elimination of a sales opportunity. Given the current unfavorable market environment the prime minister's comments have drawn heavy criticism from farmers.

Ministry of Agriculture considers raising dairy farmers support

Farmers have been complaining that low milk prices prevent their businesses from turning a profit. Among all EU Member States (MS), Romanian farmers are at the bottom of the hierarchal chain in terms of farm-gate milk price. Despite rising production costs, this price level has remained stagnant for several years further spurring dissatisfaction among farmers.

The situation in the dairy market provides another opportunity for the Romanian Government to reflect on the current level of support provided to dairy producers. Until now the elimination of milk quota in 2015 had not captured the focus of the government though dairy farmer long voiced concern of Romania being at risk to "a flood of milk" from western MS. A number of MS currently exceed or operate close to their milk quota limit. The Ministry of Agriculture is considering adopting measures that would allow for greater access by dairy producers of EU funds to increase farm efficiencies.

Please read also the GAIN report: <u>Romanian Veterinary Authority broadens aflatoxin testing in</u> <u>milk</u>