## **Global trade**

## Chinese imports damage 'dignity' of Italian tomato, says Mutti chief

Boss of tomato sauce group urges Brussels to protect farmers hit by 'unfair' competition from China's Xinjiang region



Tomatoes are harvested for Italian company Mutti at a plantation near Parma, northern Italy © Miguel Medina/AFP/Getty Images

Amy Kazmin in Montechiarugolo, Italy 10 HOURS AGO

An Italian tomato sauce magnate has urged Brussels to protect farmers from the "unfair" competition posed by cheap paste made in China's Xinjiang region and restore the "dignity" of Italy's staple red fruit.

Francesco Mutti, chief executive of the eponymous maker of ingredients including passata, pulp and canned tomatoes, said an EU ban or high import tariffs on the Chinese products were needed to safeguard <u>Italian farmers</u>. In 2021, the US banned tomato paste imports from Xinjiang citing forced labour concerns, but Brussels has not followed suit.

"We should stop the import of tomato paste from China or add a 60 per cent tax on it so that its cost will not be so different from Italian [products]," Mutti told the Financial Times at the headquarters of his 125-year-old family business, which had revenues of €665mn last year.

He warned that Italy's tomato industry risked being undercut by tomato paste made by Chinese state enterprises in Xinjiang, where the UN human rights commissioner has documented widespread rights abuses against the local Muslim Uyghur minority — including forced labour. Beijing has denied the allegations.



 $\label{eq:rescaled} \textit{Francesco Mutti: `We have to protect [our farmers] from unfair competition' @ Miguel Medina/AFP/Getty Images \\$ 





Freshly picked tomatoes are transported along an assembly line at the Mutti factory near Palma in northern Italy © Miguel Medina/ AFP/Getty Images

The fourth generation to run the enterprise on the outskirts of Parma, Mutti criticised Brussels for forcing farmers to adhere to strict sustainability rules without shielding them from "environmental dumping" from China.

"We have to teach our farmers how to do better cultivation but we also have to protect them from unfair competition," said Mutti, whose company only uses Italian tomatoes. "Otherwise the end result will not be to ameliorate the environment but to move our production abroad, where the environment is not protected."

China is estimated to account for nearly 23 per cent of this year's global tomato production — up from about 18 per cent in 2023, according to the World Processing Tomato Council.

## FT Edit

This article was featured in FT Edit, a daily selection of eight stories to inform, inspire and delight, free to read for 30 days. Explore FT Edit here → Cheap imports are a sensitive issue in Italy, the third-largest tomato producer in the world after the US and China. Chinese tomato paste costs half as much as Italian products.

In a display of ire last spring, Coldiretti, Italy's influential farmers' association, sent a flotilla of small boats to protest over the unloading of tons of Chinese tomato

concentrate in the port of Salerno.

"The competition today is not fair because more than 90 per cent of Chinese tomatoes are produced in the Xinjiang region and labour costs there are very, very low," said Luigi Pio Scordamaglio, Coldiretti's director of international affairs.

"This is unacceptable from the ethical point of view, but also in terms of competition."



Freshly picked tomatoes are cleaned on the Mutti assembly line  $\ensuremath{\mathbb C}$  Miguel Medina/AFP/Getty Images





Mutti cans filled with tomato polpa © Miguel Medina/AFP/Getty Images

China's foreign ministry reiterated that forced labour claims in Xinjiang are "a lie" used by some countries, including the US, to undermine China and suppress the development of Chinese industries.

"It is hoped that relevant European individuals and institutions will recognise the malicious schemes behind the so-called 'forced labour' lie, refrain from tarnishing China's image and not use this as a pretext to implement trade protectionist measures," the ministry said.

Xinjiang's vast, export-oriented tomato industry grew as part of Beijing's economic development strategy for the restive western region. The sector's major players include ChalkIS, a corporate affiliate of the paramilitary Xinjiang Production and Construction Corps Sixth Division, and COFCO Tomato, subsidiary of a vast stateowned agribusiness conglomerate, according to the University of Nottingham Rights Lab and the companies' websites.

COFCO says its 12 processing plants have capacity to produce 300,000 tons of bulk tomato paste each year.

About 13 per cent of China's bulk tomato paste produced is dispatched to the EU, especially Italy, where it is further processed — either by dilution or mixing with local tomato products — and repackaged, primarily for re-export, according to the

nottingnam kights Lab.

Italy's strict food labelling laws prohibit the marketing of diluted Chinese tomato paste as *passata*, but incentives to cheat can be enticing, given the price differential.

In a high profile 2021 food fraud case, the Carabinieri police seized 4,477 tons of canned tomato concentrate from a prominent Italian tomato processor that had falsely labelled its wares "100 per cent Italian tomatoes", despite the addition of Chinese tomato paste.

Coldiretti is pressing for Europe to adopt stricter food labelling laws — to require identifying the origin of major ingredients in processed food — which it believes would allow consumers to make informed choices.

Mutti, too, supports such rules, needed "particularly for a product in which tomato is the most important element", he said.

"The objective is to give tomatoes their dignity," Mutti insisted, "to take a product that has often been considered a commodity and say, 'no — tomatoes count!"

Additional reporting by Edward White in Shanghai

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