The European food safety authority

To Parma the spoils
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Troubles over the site of a new EU body

TO THE agriculture minister, Gianni Alemanno, it was “a victory for the traditions, identity and history” of Italy. He was referring to the decision in December, after a two-year wrangle, to locate the European Union's food safety authority in Parma, inextricably linked in foodies' minds to such delicacies as Parmesan cheese and Parma ham. (Italy's Silvio Berlusconi memorably, if undiplomatically, said that the Finns, who also wanted the authority, “don't even know what prosciutto is”).

Unfortunately, Parma is now also inextricably linked in many minds with Parmalat, which is based nearby. It was just after the city secured the new agency that Parmalat began to melt down, when it emerged that one of its offshore subsidiaries, called Bonlat, was short of a cool €4 billion ($5 billion).

It was not an auspicious start for a body meant to reassure consumers of the reliability and safety of Europe's food. The tale is not over yet; it has moved on to the tricky question of a suitable building. The local carabinieri are still using the stately Palazzo Ducale, which is to be the food agency's permanent base, so it needs temporary accommodation. But the property that was earmarked for this is at the centre of yet another judicial investigation.

The building, on the edge of the old city, was constructed under a project-financing deal involving the local authority and a property firm in which Parmalat's boss, Calisto Tanzi, had a stake. Prosecutors, including one who is investigating the Parmalat affair, charge that the deal had several aspects that were “gravely detrimental to the public good”. On December 4th, a judge agreed to their request that the building be sequestered. Another court has since lifted the order, but the prosecutors have appealed to Italy's highest court. So the new food agency remains homeless.

There is yet another twist. Before embarking on the building project, the city council wisely commissioned an outside expert study. They picked the Italian arm of Grant Thornton, a respected auditing firm, to do it. And for what is Grant Thornton now famous? For checking the books, first of Parmalat and later of its Bonlat subsidiary. The Finns must be laughing bitterly.