Milk and meat products from cloned cattle, pigs and goats are safe for consumers to eat, according to a Food and Drug Administration document obtained by Reuters Thursday.

The FDA findings bring the agency one step closer to determining whether to allow the commercialization of food from cloned animals. A final policy decision is expected next year.

Cloned animals -- which are genetically identical -- are attractive to the industry because ranchers are able to keep their favorite livestock, providing better tasting meat and more milk and eggs.

"Edible products from normal, healthy clones or their progeny do not appear to pose increased food consumption risk," said the 12-page executive summary of an FDA report. A copy of the report was obtained from an industry source.

The FDA is expected to release the executive summary of the new report on Friday. The entire report will be released at a later date.

The nascent food cloning industry, which includes companies such as ViaGen, owned by Exeter Life Sciences, and Cyagra, is eagerly awaiting the FDA's decision on commercialization. Smithfield Foods, the top U.S. pork producer, has a technology development contract with ViaGen.

Industry officials hope the FDA will make a decision on commercialization quickly as some companies have had difficulty raising funds from investors because of the uncertainty surrounding the issue.

An FDA spokesman was not immediately available for comment.

Biotech companies clone animals by taking the nuclei of cells from adults and fusing them into other egg cells from which the nuclei have been extracted. Livestock have already been cloned for sale to producers.

Some consumer groups have urged the FDA to address the moral and ethical concerns of animal cloning before approving its commercialization.

If the FDA does allow it, grocery stores are most likely to sell meat and milk from the offspring of cloned animals, the agency said. Their parents will probably not be slaughtered for food because of their high price tag.

A cloned calf can sell for as much as $82,000. An average calf sells for less than $1,000.

The FDA said cloned cattle between six and 18 months of age are "virtually indistinguishable" from their conventional parents, and can give birth to healthy offspring.

The FDA report does raise some concerns about cloned animals immediately after birth. Many of the young animals are susceptible to under-developed respiratory and cardiovascular systems, it said.

But as a food safety issue, the agency said the risk was small. "Given that live neonatal clones are unlikely to enter the food supply, they pose an extremely limited risk for consumption as food," the document said.

With most of the scientific research focusing on cloned cattle, the FDA said it had the most confidence that food products from cattle were safe. The level of certainty is highest for bovine clones, followed in decreasing order of certainty, by pig, goat and sheep clones, the report said.

The report did not address whether these food products should carry a special label alerting consumers that they are derived from cloned animals. FDA officials have said food from cloned animals would not be labeled if there were no significant health risks.

Earlier this year, Japan said it found no abnormalities in meat or milk from cloned animals, but called for creation of a system to deal with problems that might arise.