



Report Buyer

the intelligent way to buy market research



Food & Drink



The Food Miles Challenge

How Consumers and Retailers in the UK are Responding

Emma Conroy

A report from Report Buyer
www.reportbuyer.com

About the author

Emma Conroy is a graduate of the School of Oriental and African Studies, London. She has worked in the Nutrition Policy Division at the Food Standards Agency UK. Her roles included Secretariat to the Scientific Advisory Committee on Nutrition, the foremost committee on nutrition in the UK. She has also worked as part of the team developing a number of UK-wide nutrition strategies, in particular the strategy to reduce salt intakes across the UK population.

About Report Buyer

Report Buyer is the source for business information products. The website carries thousands of market reports and books. Report Buyer has ongoing relationships with leading market research and publishing companies, and offers a current and comprehensive range of specialised intelligence. Report Buyer is part of Piribo Ltd.

Report Buyer
54 Maltings Place
169 Tower Bridge Road
London
SE1 3LJ
United Kingdom

Tel: +44 (0) 20 7060 7474
Web: www.reportbuyer.com

© 2006 Report Buyer

All rights reserved. No part of this report may be reprinted or reproduced or utilised in any form or by any electronic, mechanical or other means, known now or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission from the publishers.

While every effort has been made to ensure the accuracy of the material and integrity of material presented, no responsibility or liability can be accepted by the publisher for its completeness or accuracy. The views expressed in this report are not necessarily those of the publisher.

Table of Contents

1. Executive Summary	1
2. What Are Food Miles	2
Key figures regarding food miles	2
3. Government Proposals and Initiatives	4
The European Union approach to sustainable development	5
Beyond Europe	5
4. NGO Pressure	6
Sustain shows 'real' costs	6
Farmers take action	6
5. Consumer Demand and Action	8
National Consumer Council and Sustainable Development Commission reports	8
Which? asks about buying local benefits	8
6. Industry Response	10
Tesco announces move onto trains	11
Case Study: how Waitrose is tackling food miles	11
Food manufacturers address sustainable development and food miles	12
7. Conclusion	13
References	14

1. Executive Summary

The last 50 years have borne witness to major changes in the food production and supply chain, and the way in which people in the UK shop for their groceries.

Changes that have had a major impact include:

- globalisation of the food industry;
- centralisation and concentration of sales in large supermarkets;
- pooling of the food supply base into fewer, larger suppliers;
- major changes in delivery patterns.

One of the consequences of these changes has been the development of what is now termed 'food miles'. This has become a hot topic in recent years for government, industry, and environmental and consumer groups. At its core are environmental and social concerns relating to the impact our food choices are having on the environment, a growing interest in the safety, ethics and origins of the food we eat, and spiralling costs in relation to energy usage.

The subject has given life to a plethora of reports and proposed strategies from both government and non-governmental organisations (NGOs), as well as a vast amount of activity from industry, all seeking to find a solution to a problem that, some argue, is literally costing us the Earth.

One of the Government's reports informs us that:

- food transport accounts for 25% of all Heavy Goods Vehicle-kilometres in the UK;
- consumers travel an average of 136 miles each year to shop for food;
- higher levels of vehicle activity lead to higher environmental impacts. However, the mode, timing, location and efficiency of food transport are all as important as the distance travelled.¹

NGOs and consumer groups are increasingly calling on government to address this issue before the environmental impact is irreparable. It is suggested that the Government should incentivise industry to reduce food miles and should help to educate the public on the impact their food choices are having.

Some consumer groups would like the issue of food miles to be raised to the same level of importance accorded to nutrition advice, so that, while a nutritionist may currently advise on a healthy diet (such as five portions of fruit and vegetables a day) they could also then advise on socially and environmentally sound food choices, encouraging consumers to eat those foods that have clocked up the fewest food miles.

To tackle these concerns the Government has set out a 'vision and challenge' to achieve 'a major shift to deliver new products and services with lower environmental impacts across their lifecycle, while at the same time boosting competitiveness'.²

This report briefly looks at the growth in awareness of food sustainability and the increased pressure to reduce the mileage that food travels to reach the table. There is a balance to be struck between consumer choice, free markets, and social and environmental sustainability. While the challenges are daunting, companies that take a lead could benefit from business opportunities offered by tackling this issue.

¹ Department for Environment, Food and Rural Affairs, UK Government, *The Validity of Food Miles as an Indicator of Sustainable Development*, July 2005, www.defra.gov.uk

² UK Government, *Securing the Future - UK Government Sustainable Development Strategy*, March 2005, www.sustainable-development.gov.uk

2. What Are Food Miles

'Food miles' is the term used to quantify the distance food travels from source to consumption, and also factors in the removal of waste products including packaging. It is generally considered a good indicator of the environmental impact of the food and its components. It is becoming more important to consider not only how far food has travelled, but also *how* it has travelled, in order to work out its true environmental impact.

Key figures regarding food miles

- Food miles are significant and continue to increase. It is estimated that they accounted for 33 billion vehicle-kilometres in 2002 (relating to the UK), of which 82% actually occurred in the UK.³
- Food miles are a major contributor to carbon dioxide (CO₂) emissions, accounting for 1.8% of the total annual UK CO₂ emissions.⁴
- Food air miles have the highest relative CO₂ emissions and are the fastest growing mode of transport.⁵
- The environmental, social and economic costs of food miles include carbon dioxide emissions, air pollution, congestion and noise, as well as an increased number of accidents.

The relationship between the distance travelled by food and the associated external (environmental, social and economic) costs is often extremely weak. For example, well over 50% of the total external costs associated with the transportation of food arise from domestic congestion. By contrast, the transportation of imported agricultural produce by sea accounts for only a fraction of total external costs.⁶

The diverse origins of the food in an average shopping basket can be truly startling. There may be blueberries all the way from New Zealand and exotic fruits from the Caribbean, but perhaps the strangest are vegetables, such as carrots, which are easily grown in the UK, but have come all the way from South Africa. Figure 1 highlights the distances some fruit and vegetables may travel to get to the consumer.

Figure 1. Distances travelled by selected foods to reach the UK market

Product	Origin	Distance (km)
Onions	New Zealand	19,310
Strawberries	Ankara, Turkey	2,835
Fine beans, mange tout	Nairobi, Kenya	6,804
Baby spinach, raspberries, cherry tomatoes, garlic	Los Angeles, USA	8,774
Avocados, baby carrots	Cape Town, South Africa	9,622
Blueberries	New Zealand	18,839

Source: Report Buyer (based on reports from Sustain & *Which?*)

The growth in food miles is intrinsically connected to the growth of the food trade as a whole, and the flow of products globally. So, while it may be difficult to pinpoint the growth of food miles, export and import values offer an indication of the steady increase in the global movement of food. Figure 2 highlights import and export values for the UK for the years 1988–2000.

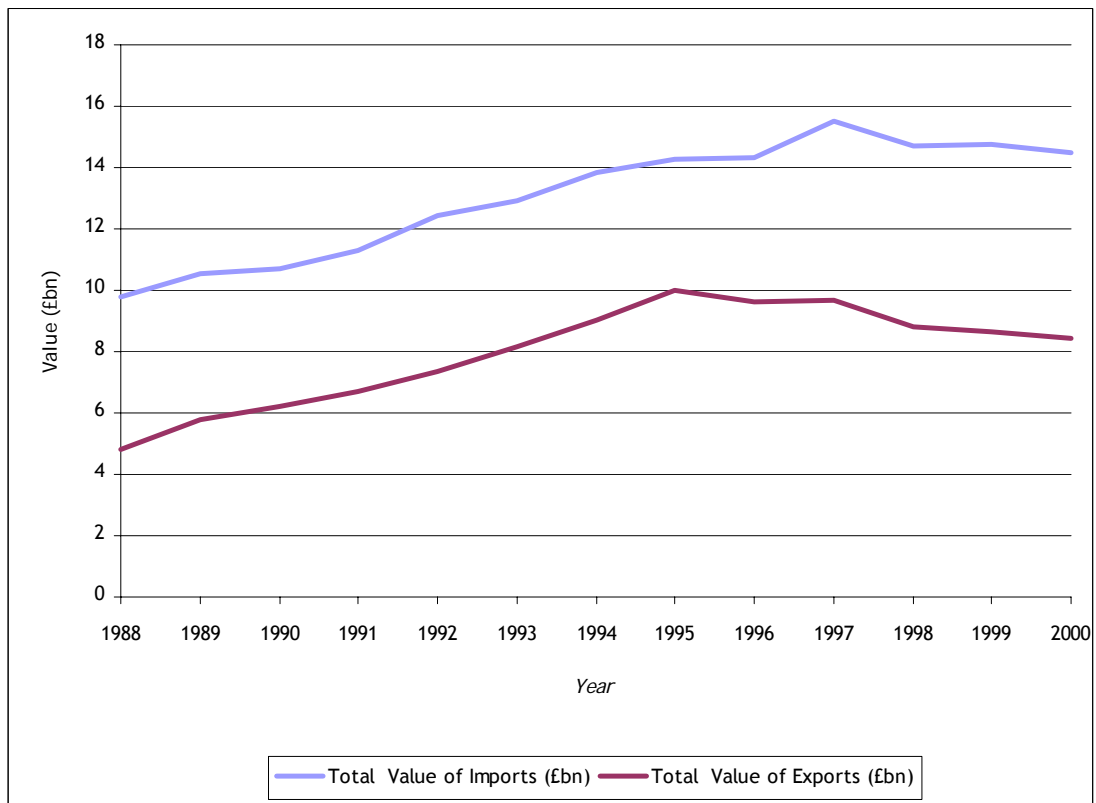
³ pg 43, UK Government, *Draft Food Industry Sustainability Strategy*, proposal published April 2005, www.defra.gov.uk

⁴ *ibid*

⁵ *ibid*

⁶ *ibid*

Figure 2. Imports and exports of food for the UK



Source: MAFF Overseas Trade Data System

Figure 3 splits the UK food vehicle-kilometres by transport mode (2002), while Figure 4 illustrates the CO₂ emissions associated with them as a percentage of total CO₂ releases.

Figure 3. UK food vehicle-kilometres

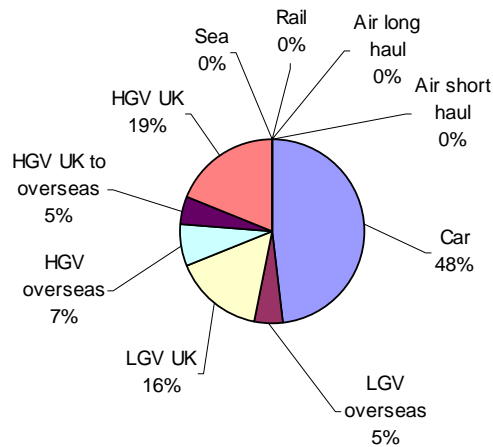
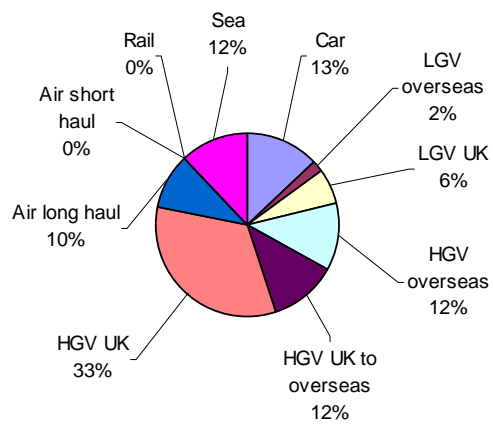


Figure 4. CO₂ emissions by transport mode



Note: statistics available for total UK sea and rail freight but not split out by food and transport. Overseas rail, air, inland waterway statistics not available.
Source: AEA Technology

3. Government Proposals and Initiatives

The idea of sustainable development has become a government-wide policy embedded into all aspects of government plans and procurement. In 1999 the Government's sustainable development strategy - *A Better Quality of Life* - defined sustainable development as: 'a better quality for everyone, now and for generations to come', and adopted the widely used international definition of 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'.⁷

In March 2005 Government built on this with an updated strategy for sustainable development, 'Securing the Future - UK Government Sustainable Development Strategy'. This report sets out its vision and challenge for a 'one-planet economy',⁸ a reference to figures that suggest our current patterns of consumption will require three planets-worth of resources.

Government clearly recognises that the issue of food miles is intrinsic to any sustainable development policies: in April 2005 Government published its 'Draft Food Industry Sustainability Strategy', a proposed strategy that cited food miles as a priority area for action. The document proposed that 'as a contribution to both carbon saving and other environmental benefits and to local sourcing there needs to be a reduction in the domestic level of the environmental and social costs associated with the industry's food miles by say 20% by 2012'.⁹

Obtaining lower carbon use in the food system could include the following:

- use of seasonal and indigenous produce;
- efficient operation and management of processing plants;
- least use of temperature controlled storage;
- minimised distances from point of production to point of consumption;
- logistical efficiency.

Alongside the proposed 'Food Industry Sustainability Strategy', the Department for Environment, Food and Rural Affairs (Defra) researched and reported on '[the] Validity of Food Miles as an Indicator of Sustainable Development',¹⁰ published in July 2005.

The report assessed whether it is possible to develop a practical and reliable indicator, based on food miles, that would give an accurate idea of progress towards the objectives of the *UK Government Sustainable Farming and Food Strategy* and the proposed *Food Industry Sustainability Strategy*. In relation to food miles, this equates to a 20% reduction in the environmental and social costs associated with the industry's food miles.

The report concluded that food miles have a complex relationship to sustainability. There can be trade-offs between environmental, social and economic factors. As a result, a single indicator based on total food miles is not appropriate. It suggests that 'a correctly structured indicator will enable the key impacts of food transport to be targeted, and allow appropriate policies to be formulated to ensure that a balance is maintained between economic, social and environmental sustainability'.¹¹ Several recommendations for further work to develop an accurate indicator have been suggested and allude to the increasing importance that the Government is placing on this issue.

⁷ *ibid*

⁸ UK Government, *Securing the Future - UK Government Sustainable Development Strategy*, March 2005, www.sustainable-development.gov.uk

⁹ UK Government, *Draft Food Industry Sustainability Strategy*, proposal published April 2005, www.defra.gov.uk

¹⁰ Department for Environment, Food and Rural Affairs, UK Government, *The Validity of Food Miles as an Indicator of Sustainable Development*, July 2005, www.defra.gov.uk

¹¹ *ibid*

The European Union approach to sustainable development

In Europe sustainable development is enshrined in the EU Treaty, and in 2001 the EU adopted its sustainable development strategy at the Gothenburg European Council. The strategy is composed of two main parts. The first focuses on a number of key unsustainable trends that pose serious threats to the EU's current and future well-being. It proposes headline objectives and a series of policy measures. The priorities were to:

- combat climate change;
- ensure sustainable transport;
- address threats to public health;
- manage natural resources more responsibly and stop biodiversity decline;
- combat poverty and social exclusion;
- meet the challenge of an ageing population.

In February 2005, the European Commission took stock and confirmed that a number of unsustainable trends were continuing to worsen; it is in the process of reviewing the strategy and in June 2006 the European Council is expected to revise the strategy.¹² This may have implications for the UK as well as the rest of Europe.

Beyond Europe

Beyond Europe sustainability has become a dominant priority for many nations. At the United Nations World Summit on Sustainable Development in Johannesburg, 2002, participating countries were asked to formulate and to begin implementation of national sustainable development strategies (NSDS) by 2005. Key to this strategy for many nations is the tackling of food miles.

In Australia the 'Australian Conservation Foundation' is supporting a call by Australian farmers for clearer 'country of origin' labelling so that consumers are easily able to choose local products, reducing all the environmental effects that food miles can have.

The Canadian Government has set out its plans for reductions in the country's carbon footprint in its strategy 'Moving Forward on Climate Change: A Plan for Honouring our Kyoto Commitment' launched in April 2005. The document outlines intended actions to build a sustainable future: emissions targets will be set for industry, for food retailers and manufacturers to reduce food miles that could contribute significantly to a reduction in their emissions contribution; automotive manufacturers will need to introduce new technologies to make passenger vehicles more environmentally friendly to avoid regulation; the government will seek to harness Canada's commitment to making greener choices with possible new consumer incentives. All these factors should encourage industry and consumers to internalise the relationship between their activities and the resultant effect on the environment.

It is clear that food miles are likely to become an integral part of any government's sustainable development agenda. Industry will have to take this into account to stay ahead of the game.

¹² www.euractiv.com/en/environment/sustainable-development-eu-strategy/article-117544, May 2006

4. NGO Pressure

Sustain shows 'real' costs

Pressure from NGOs to address food miles is mounting. One NGO, 'Sustain: the alliance for better food and farming' (Sustain), is calling on government to set frameworks for action for industry to reduce the negative impact on the environment due to food miles. Initiatives to encourage pro-activity on the part of industry might include environmental taxes, such as taxation on oil, particularly aviation fuel, and rewards for those organisations that develop and implement strategies to reduce their carbon footprints.

Sustain also cites the need to cultivate regional and 'local' food systems to develop a more sustainable food chain and to enable consumers to purchase food with the least environmental impact possible. Industry could play its part in this by actively sourcing and supplying locally produced goods, and developing an accessible and transparent policy about what constitutes 'local produce', for example a limit on how far away a 'local produce' labelled item may have come from, including a limit on the miles it has been transported for any packaging and processing.

The NGO argues that one of the major problems faced by current food systems is dependence on oil to transport even the most basic of food stuffs; foods that could be produced locally and certainly do not need to be imported. It claims that

'transporting food long distances is energy inefficient. We put in more energy (in the form of non-renewable fossil fuels) than we get out (in the form of food calories). For every calorie of iceberg lettuce flown in from Los Angeles, we use 127 calories of fuel.'¹³

Sustain believes that current rates of consumption are not sustainable. It is also concerned about the implications of a food supply chain that is so dependent on one finite source of energy, oil, which many countries cannot produce and have limited or little access to sources. To be free of a food supply entirely dependent on oil, Sustain claims it is absolutely necessary to set 'targets for sustainable food production, import substitution, fair trade and local sourcing of food to be achieved over a specific period'.¹⁴

Farmers take action

Farmers Weekly, an influential farming on-line and print publication, provides the British agricultural industry with news and commentary on the issues it faces. It concurs with much of what Sustain is outlining as necessary action, claiming that food miles not only damage the environment but also reduce freshness and the security of the produce, as its origin becomes more difficult to trace. It has noted that consumers also lose a sense of seasonality. As a result the magazine has set up a campaign to reduce food miles and make consumers more aware of the issue, whether they are the adults doing the buying or the teenagers who are an increasingly important influence on buying decisions.

Some of the actions the magazine intends to take to get the food miles message across are:

- a food miles lunchbox competition to see which school can come up with the healthiest and lowest food mile lunch;
- an editorial campaign in *Farmers Weekly* focusing on food mile issues and providing case studies where good practice is going on;
- initiatives to raise awareness of the issues involved, including provision of information to national print and broadcast media to highlight directly the issues involved.
- a dedicated website with downloadable campaign pack.

¹³ Andy Jones, pg 1 *Eating Oil: Food Supply in a Changing Climate*, Sustain: the alliance for better food and farming & Elm Farm Research Centre, November 2001, www.sustainweb.org

¹⁴ Ibid

It is suggested that consumers are not currently able to understand the link between the food choices they make and the effect these choices have on the environment: how they travel to shop; when they travel to shop; what they actually purchase; the waste materials created from food; the disposal of food packaging. As a result, Sustain claims it is imperative that measures be introduced, by government, to 'internalise the external environmental and social costs'¹⁵ of food transportation. This expects imaginative and strategic thinking and planning on behalf of government, and a serious commitment to addressing the food miles challenge.

¹⁵

Ibid

5. Consumer Demand and Action

There are signs that consumers are interested in becoming more involved in the environmental and social impact of their food-purchasing decisions. There has been a growth of farmers' markets throughout the UK and consumers appear increasingly keen to purchase local, seasonal produce with a clearly recognisable origin that is understood to be more environmentally friendly. The National Farmers' Retail & Markets Association highlights that there are many benefits to shopping at local farmers' markets, including:

- reduction in food miles;
- reduction in packaging and waste;
- supporting your local economy and farmers;
- food that tends to be in season and fresher, adding to the flavour;
- food coming direct from the farmer is fully traceable.

National Consumer Council and Sustainable Development Commission reports

The National Consumer Council (NCC) was set up by the UK Government in 1975 to safeguard the interests of consumers and to ensure that those interests are represented to, and are taken into account by, decision makers. The NCC is a non-departmental public body, and is independent of any commercial, political or other vested interests.

The Sustainable Development Commission is the Government's independent watchdog on sustainable development, reporting to the Prime Minister and the First Ministers of Scotland and Wales. Through advocacy, advice and appraisal, it helps to put sustainable development at the core of government policy.

The joint report of the NCC and the Sustainable Development Commission cites supermarkets as the gatekeepers of the ways in which consumers choose to spend a large proportion of their money and therefore the ones with a massive opportunity to influence consumer spending. There is a belief voiced within the report that sustainable consumption represents a real opportunity for ingenuity and innovation from UK entrepreneurs and manufacturers. However, the report also recognises that there are constraints on industry due to the competitive market place. Therefore government is called upon to play an important enabling role by using policy levers to 'create the business case [and the market] for all companies to deliver more sustainable products'.¹⁶

Which? asks about buying local benefits

A *Which?* report on food miles indicates that many consumers still do not see the value in buying more environmentally friendly goods. This is partly because these goods are often more expensive and are marketed as niche, luxury items. The British Retail Consortium (BRC), the largest trade association representing the interests of some of the largest retailers in the UK, concurs with this view, suggesting that sustainable development is not a priority for consumers. They report that in

'a list of priorities for customers, sustainable development comes pretty low down on the list - for many price, check out service and product availability dominate'.¹⁷

In addition, *Which?* suggests that, although buying food from local produce schemes may help to keep income circulating within rural communities and cut down on transport emissions, avoidance of buying goods from overseas can end up damaging the economies of developing countries. *Which?* points to Mozambique's sugar cane industry, which it says is already hard hit by subsidised sugar exports from the EU. *Which?* claims that

¹⁶ National Consumer Council & Sustainable Development Commission, *I Will If You Will: Towards Sustainable Consumption*, May 2006, www.ncc.org.uk

¹⁷ British Retail Consortium, May 2005, <http://www.brc.org.uk/policycontent04.asp?iCat=46&iSubCat=341&sPolicy=Food&sSubPolicy=Sustainability>

'If we buy only UK produced sugar beet, we harm the Mozambique economy, and indirectly cause problems for the environment. As a general rule, countries tend to spend more on environmental protection as they become richer.'¹⁸

Although food distribution can cause some problems for the environment, *Which?* highlights that buying locally produced food does not necessarily mean pollution and environmental damage would disappear. In fact, it claims that

'private cars cause around twice as many environmental problems overall as road freight, and around ten times as many as air transport.'¹⁹

Farming methods also have a role to play in the food miles debate. *Which?* points out that there is little point buying goods locally in an effort to be environmentally friendly if they have been grown as a result of intensive agriculture. This sort of farming can cause drinking-water contamination from pesticides and greenhouse gas emissions amongst other side effects. More fuel may also be used growing produce inside in unnatural light and heat than growing them outside. One example of this is the suggestion that it may require less energy to grow tomatoes in Spain, using natural heat and light, and transporting them to point of sale, rather than the energy required to grow tomatoes in the UK. Clearly there are trade-offs to be made between methods of farming, distance of food travelled and the mode of transportation, making the food miles issue a complex one.

¹⁸ Which?, *Food Miles*, 2005, Which? Online
¹⁹ Ibid

6. Industry Response

The Prime Minister, Tony Blair, has stated that 'in future, consumers should expect that environmental responsibility is as fundamental to the products they buy as health and safety is now'.²⁰ This encapsulates the challenge that faces industry, particularly retailers and manufacturers, in the food miles debate.

The BRC, the lead trade association for the UK retail industry, highlights the important role that retailers have to play in the sustainability and food miles debate, indicating that it is certainly good business to promote sustainable development as the retail sector has the capacity to innovate and deliver real change. However, retailers operate in a highly competitive market place and businesses have to ask themselves where sustainable development comes on a list of business priorities: can retailers persuade consumers to make responsible purchases? The implication is that food miles cannot be reduced by retailers alone.

The BRC concludes that, in the current business environment,

'for sustainable development to be taken seriously by retailers, [it] believe[s] Government must provide a framework of incentives that reward those enlightened retailers that deliver good practice and penalise those that don't'.²¹

The dominant retailers must be provided with a sound business case where strengths and opportunities clearly outweigh any threats or weaknesses that reducing food miles might present. The Government may have to add to the opportunities in order to make the business case for food mile reduction more appealing. Figure 5 shows a SWOT analysis of some of the pros and cons facing industry in relation to this subject.

Figure 5. SWOT analysis of retailers and food miles

Strengths	Weaknesses
<p>Large retailers are in the best position to lead and create change due to the size and reach of their businesses.</p> <p>Close relationships with government give advanced warning of any initiatives, or legislation, which might be on the horizon.</p>	<p>Retailers must maintain a full portfolio of products and choice at all times to satisfy a variety of consumers.</p>
<p>Could create a unique selling point.</p> <p>Consumers may be willing to pay a premium for more environmentally friendly products.</p> <p>Forces industry to reconsider its transportation, packaging and distribution methods which could, in the long run, save money.</p>	<p>EU and/or government regulation and legislation.</p> <p>Loss of consumer confidence through perception that retailer is not ethically, socially or environmentally conscious.</p> <p>Loss of consumers due to lack of choice.</p>
Opportunities	Threats

Source: Report Buyer

²⁰ pg 59, UK Government, *Securing the Future - UK Government Sustainable Development Strategy*, March 2005, www.sustainable-development.gov.uk

²¹ British Retail Consortium, May 2005, <http://www.brc.org.uk/policycontent04.asp?iCat=46&iSubCat=341&sPolicy=Food&sSubPolicy=Sustainability>

Generally, the UK's dominant retailers have responded positively to the growing concern about food miles and, while no doubt bolstering their own environmental and social credentials, tackling food miles can potentially mean savings for them. Some initiatives by retailers to alleviate the environmental burden of food miles are outlined below.

Tesco announces move onto trains

In May 2006, giant retailer Tesco announced that it will move of significant volumes of produce from road to rail transport using purpose-built 'green trains', saving an estimated 4.5 million road miles and around 6,000 tonnes of CO₂ a year. Tesco claims that it has been developing an efficient supply chain that minimises impact on the environment, investing in cleaner vehicles, and making sure that its operations and suppliers use them efficiently.

The current plans are confined to non-food items but this strategy illustrates the kind of actions a major retailer is taking to reduce its impact on the environment more generally. Perhaps there will be scope to begin using trains or other forms of transport rather than road freight for the movement of food items in the future.

Case Study: how Waitrose is tackling food miles

Labelling is often cited as being confusing by consumers. An item labelled as 'locally produced' does not necessarily mean that it has not either been sourced much further away than might be expected or that it has not travelled hundreds of miles, for one reason or another, to get to the shop. Waitrose is one of the few retailers to have a policy on the labelling of items as 'locally produced'. These items include 'food and drink made by small scale producers and supplied to shops within a 30 mile radius of the production site'.²² This initiative covers some 160 different producers offering around 360 product lines in around 100 shops. This ensures that 'local' goods really are local.

The Waitrose lorry fleet covers more than 13 million miles a year, so, like many retailers, the challenge of delivering more goods while cutting down on miles travelled is a significant one. The solutions to this conundrum have involved centralising deliveries into larger loads across two regional distribution centres, and ensuring that the lorries are better packed. Computerised route planning has made the task much easier, enabling managers to match lorries with loads more efficiently.²³

Using Waitrose-owned vehicles for the majority of its deliveries has enabled Waitrose to service and fit the vehicles with optional extras, which all help to reduce the impact on the environment. Vehicles are fitted with the cleanest and greenest engine technology: many of its vehicles are fitted with Continuously Regenerating Traps (CRTs). These exhaust cleaners reduce emissions by up to 91% in the case of carbon monoxide and 94% for hydrocarbons.²⁴

Noise is a major pollutant, and congestion an increasingly frustrating consequence of food transportation. At Marylebone High Street in London, a densely populated residential area, Waitrose has installed a 'turntable' in its delivery bay to enable lorries to avoid complicated reversing manoeuvres in the street, thus reducing both congestion and noise levels for local residents.

Refrigeration and energy efficiency remain priority areas in reducing the environmental impact of food retailing. Waitrose is installing new refrigeration technology, and every store has an appointed 'Energy Manager' whose role is to encourage all Partners to think about how they can each make a difference.

²² Pg 4 Waitrose, *Corporate Social Responsibility Report*, 2004, www.waitrose.com

²³ *Ibid*, pg 19

²⁴ *Ibid*

Food manufacturers address sustainable development and food miles

Food retailers are not the only section of industry with a role to play in addressing food miles. Many manufacturers, including those who supply retailer own brand goods, may claim that only retailers can set the agenda in relation to the reduction of food miles, as it is the retailers who will put cost, reliability and efficiency at the top of a priority list. However, progressive manufacturers are realising that they too must play their part in producing more sustainable goods.

Northern Foods is one of the UK's leading food producers and aims to be the 'supplier of choice to UK and Irish retailers in added value convenience foods'. It also produces a wide range of own-label and branded products. As a market leader in a number of product categories, in addition to its strong own-label market share, and like many other large food manufacturers, the company has a key role to play in the development of solutions to the food miles debate.

Northern Foods indicates that this issue is well and truly on its radar, as it should be for any food retailer or manufacturer. It points out that the ethical dimension of its procurement strategy has become increasingly important. There is a growing need, it suggests, to 'satisfy growing stakeholder interest about safe and sustainable sourcing'.²⁵ The appointment of a new Group Director of Procurement, tasked with delivering progress in the area of sustainable and ethical procurement, highlights the importance accorded to these issues.

Similarly, Unilever, a global company, with brands recognised worldwide in the home, personal care, and food sectors, has been aware of the importance of a commitment to sustainable development for a number of years.

The 'Unilever Environmental and Social Report 2005' indicates that the organisation first began thinking about sustainability in the mid-1990s, and since then, its commitment to contributing to sustainable development has been central to the organisation's agenda. Unilever outlines its approach to sustainability as 'seeking to continually reduce the total environmental footprint'²⁶ of its products.

As a global organisation, Unilever's commitment to sustainable sourcing and procurement should mean that the message about reducing food miles in order to produce a more environmentally friendly product will spread even further. Potentially, if enough globalised food manufacturing organisations take on this challenge, efforts to reduce food miles as part of any production process could become the norm. Implications of this could be that business opportunities will be lost by those who do not take the time to put in place a sustainable development strategy.

²⁵ www.northern-foods.co.uk/index.asp?docid=1000037, June 2006

²⁶ Unilever, *Environmental and Social Report*, 2005, www.unilver.com

7. Conclusion

Food miles are intrinsically connected to sustainable development, a topic that has become increasingly important for governments and consumers across the globe over the last 20 years. A strategy to tackle sustainability is now understood to be a requisite of good governance both in the public and private sector. The whole debate is becoming increasingly globalised, requiring a consistent approach from governments, industry and consumers.

A key feature of the UK Government's sustainability strategy is the need to reduce the country's carbon footprint. The UK Government estimates that around 22%²⁷ of the UK's total greenhouse gas emissions is as a result of the production, distribution and consumption of food. Therefore, the food supply system must be addressed.

However, dealing with food miles is a complex issue where trade-offs have to be made between the environmental and social impacts of foods purchased. Another major difficulty in reducing food miles is creating a business case for dominant retailers and manufacturers to provide products that have accrued fewer food miles, yet that can still be offered at a price within reach to all those wanting to buy those products.

Many large manufacturers and retailers operate within a global market place and this adds a number of pressures and variables to the application of a consistent approach to food mile reduction, for instance:

- retailers and manufacturers will always seek to satisfy consumer choice. Though it may be important to some consumers in some countries that their food is supplied having accrued the least amount of food miles possible, this may not be a priority for other consumers;
- some countries, due to lack of consumer or governmental pressure, may not be interested in reducing food miles. This could put retailers and manufacturers based in a country that does demand this issue be addressed at a price and competitive disadvantage;
- some manufacturers and retailers might argue that reducing food miles may hurt some far flung developing countries economies that have become reliant on the current food supply structure.

At its core, reducing food miles is about alleviating environmental degradation and this can be worked on in a number of ways: more consumers are aware of the issues and are demanding locally produced goods that have not been intensively farmed; consumers appear to be more aware of disposing of waste materials appropriately, as recycling is more prominent in the public consciousness; technology is constantly improving, allowing greater efficiency in food manufacture and distribution, amongst other things; government is incentivising the use and development of alternative energy sources.

Food mile reduction could be viewed by industry as an opportunity and not a threat. Embracing the idea of reducing the overall carbon emissions from retailing and manufacturing foods can result in innovative developments that streamline business: the development of computerised logistics and centralised distribution centres is a clear example of the innovation that can come out of a new challenge. There is also an opportunity to build a reputation and brand as a company that takes its commitment to sustainability and the environment seriously. This will surely become ever more relevant to the consumer.

²⁷ UK Government, *Securing the Future - UK Government Sustainable Development Strategy*, March 2005, www.sustainable-development.gov.uk

References

AEA Technology, *The Validity of Food Miles as an Indicator of Sustainable Development*, Department for Environment, Food and Rural Affairs, UK Government July 2005, www.defra.gov.uk

Andy Jones, *Eating Oil: Food Supply in a Changing Climate*, London, Sustain: the alliance for better food and farming & Elm Farm Research Centre, November 2001, www.sustainweb.org

Australian Conservation Foundation, www.acfonline.org.au, June 2006

British Retail Consortium, June 2006, www.brc.org.uk

Canadian Government, *Moving Forward on Climate Change: A Plan for Honouring our Kyoto Commitment*, April 2005, www.climatechange.gc.ca

Farmers Weekly, June 2006, www.fwi.co.uk

<http://ec.europa.eu/environment/eussd>

J Sainsbury plc, *Corporate Responsibility Report 2005*, 2005, www.sainsbury.co.uk

National Association of Farmers Market, www.farmersmarkets.net

National Consumer Council & Sustainable Development Commission, *I Will If You Will: Towards Sustainable Consumption*, May 2006, London, www.ncc.org.uk

National Farmers' Retail and Markets Association, www.farma.org.uk

Northern Foods, *Corporate Social Responsibility / Ethical Procurement*, June 2006, www.northern-foods.co.uk

UK Government *Strategy for Sustainable Farming and Food: Facing the Future*, 12 December 2002

UK Government, *Draft Food Industry Sustainability Strategy*, proposal published April 2005, www.defra.gov.uk

UK Government, *Securing the Future - UK Government Sustainable Development Strategy*, March 2005, www.sustainable-development.gov.uk

Unilever, *Environmental and Social Report*, 2005, www.unilever.com

Waitrose, *Corporate Social Responsibility Report*, 2004, www.waitrose.com

Which?, *Are We Getting A Raw Deal*, June 2004, Which? Online

Which?, *Food Miles*, 2005, Which? Online

www.euractiv.com

- END-