How improved transparency will make food more sustainable

Koen Boone, WUR, 22 May 2024

F&A Next 2024









Game changer

- Currently: Transparency on sustainability on voluntary base using non-comparable methods
- Governments and retailers are demanding transparency for all food products using harmonized impact methodology
- Same development on investment (Taxonomy, SFDR) and corporate (CSRD, SBTI) level
- Game changer





Agenda

Why footprinting?

Footprinting products

Eco (rating) labels





Why footprinting?



- Original sustainable measurement by input/proces indicators
 - How to identify greenwashing?
 - How to compare performance of companies
- "Companies can only be sustainable in a sustainable world" / Fair share
 - Paris climate agreements
 - Planetary boundaries
- Measure absolute impact



Footprinting products





Life Cycle Assessment

Life Cycle Assessment (LCA):

The systematic analysis of the potential environmental impacts of products or services during their entire life cycle.





LCA method: Product Environmental Footprint



Normalisation

results divided by normalisation factors defined based on yearly emissions of an average global citizen



Weighting

normalized results multiplied by weighting factors (expert panels, planetary boundaries, reliability of indicator)



Single score



Additional environmental information



Application PEF still limited

- Only available for limited number of product categories
- No comparison between product categories
- High cost, limited tools and implementation
- Green Claims: PEF incomplete





Eco rating labels food





LCA based Eco rating labels



- Nutriscore for environment: (A to E) Label for all food
- Absolute total footprint that incentivizes continuous improvement
- Start with product category average databases
- Comparison between product categories and within product category
- Option to aggregate over all products of organisation for scope 3 reporting (CSRD, SBTI, CDP)



Eco rating labels – State of the art

Eco-Score	Planet- Score	Enviroscore	Eco Impact	Coop Sweden Sustainability Declaration	Made Green in Italy	French initiative
ECO-SCORE	Planet B DE SCORE PESTICIOS OPERINGE CLIMAT	A C O W	ECO IMPACT A	Completions Surprised Company	MINISTER PILLAMNINTE MADE GREEN IN ITALY	























- First ecolabels mainly based on EU PEF and public French Agribalyse database
- New private ecolabels develop their own methodologies and private databases
- Several retailers and national governments started piloting/implementing
- Main motivation for most retailers to start: scope 3 reporting (CSRD, SBTI, CDP)



Implementation of Ecolabeling in Europe



Ecolabeling: Potential high impact

- Available for all food
- Broad set of **impact** categories
- Continuous improvement
- Category average models decrease burden and facilitate comparability
- Comparison within & between product categories
- Company level scope 3 reporting

- Comparison within product category depended on use of sufficient primary data
- Workload/data availability
- Assurance
- Methodological challenges
- Proliferation risk

Potential to have high impact on sustainability of food



Government policy





European Union



Green Claims initiative Criteria for voluntary environmental claims made to consumers



Farm to Fork strategy Sustainable Food Labelling Framework: nutrition, environment, social and animal welfare





Green Claims

- > Set of criteria for environmental claims (scientific, LCA based etc.)
- Claims need to be approved by national governments before being published
- > PEF can be used for aggregated reporting if integrating
 - Marine fisheries: Sustainability of the targeted stock
 - Agriculture: Biodiversity, (extensive) farming practices and animal welfare





Government supported initiatives in EU



- Government plans to introduce Ecolabel in 2024
- All food producers are expected to report
- Methodology finalised. Ecolabel textiles implemented
- First year voluntary, then mandatory



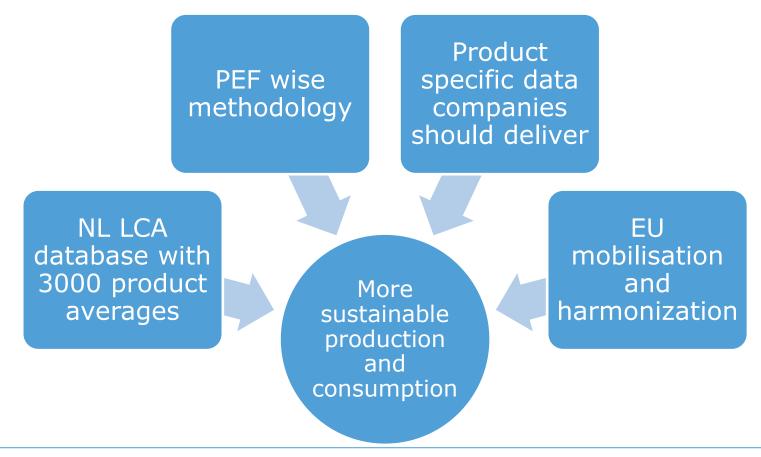
- Climate label in development
- Government initiated



- Development ecolabel in policy brief
- Voluntary but if you report, methodology is mandatory
- Focus on prevention greenwashing



Dutch Ecolabel initiative



Footprint working group members:

LNV, WUR, CBL, FNLI, MVO, Nepluvi, Nevedi, ANEVEI, COV, NZV, Groenten en Fruithuis, NB/FWS, Vereniging Schelpdierhandel, Avebe, Cosun, Friesland Campina, Do it organic, Agrifirm, Unilever, HAK, Delinuts, Vion, DSM, Hutten, Superunie, Jumbo, Lidl, ABN AMRO, Rabobank, RIVM en Milieu Centraal























Eco Food Choice project:

Provide Europe with an operational and collectively supported environmental labelling system

Objective 1

Harmonized databases with product category average environmental impacts

Objective 2

Develop a methodology for an eco label

Objective 3

Test the labelling in real life

- Cooperation between France, Netherlands, Germany and Spain
- Financed by DG environment
- Many other countries and stakeholders connected
- Project start: November 2023
- 4,5 years duration: 2023-2028



Harmonized footprinting is first step but not sufficient

Footprinting makes harmonized sustainability impact data available. Necessary condition for many other solutions:

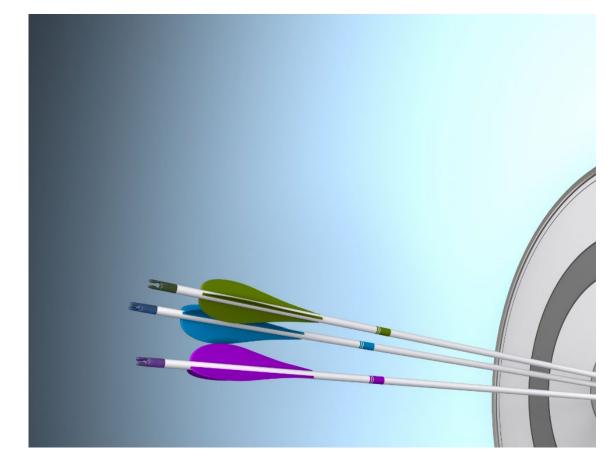
- Marketing mix retail (green points)
- True price, financial incentives
- Farmer2B, B2B, B2R, B2Finance
- Government policies
- (Scope 3) reporting retail /foodservice





Conclusions

- Footprinting is introduced by private and public sector
- More transparency and competition around sustainability
- Opportunities for more sustainable products
- Figure Changer if (primary) data will be made available and right incentives applied





Thanks for your attention

Questions?

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More information: https://www.wur.nl/nl/en/onderzoek-nceultaten/onderzoeksinstituten/economic-research/foodecolabel.htm

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