



Food industry point of view on sustainability

CIAA contribution to the European Food SCP Round Table



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Conference on sustainability in the food chain
30th June 2010, Madrid, Spain



Who does CIAA represent?

<p>Turnover</p> <p>€ 965 billion (+3.2% compared to 2007)</p> <p>Largest manufacturing sector in the EU (12.9%), ahead of the automobile and chemical industries</p>	<p>Employment</p> <p>4.4 million people (+0.8% compared to 2007)</p> <p>Leading employer in the EU (13.5%), ahead of the fabricated metal, machinery & equipment industries</p>	<p>SMEs¹</p> <p>48.7% of food and drink turnover</p> <p>63.0% of food and drink employment</p>	
<p>External trade</p> <p>Exports € 58.2 billion (+6.4% compared to 2007)</p> <p>Imports € 57.1 billion (+8.4% compared to 2007)</p> <p>Trade balance € 1.1 billion</p> <p>Net exporter of food and drink products</p>	<p>Number of companies</p> <p>310,000³</p> <p>Fragmented industry</p>	<p>Value added (% of EU GDP)</p> <p>2%</p> <p>Stable</p>	<p>Consumption (% of household expenditure)</p> <p>13%</p> <p>Slight increase</p>
	<p>EU market share of global export market</p> <p>17.5% (24.6% in 1998)</p> <p>Shrinking share of EU exports in global markets</p>	<p>R&D (% of food and drink output)</p> <p>0.37%²</p> <p>Insufficient R&D expenditure</p>	

(1) 2006 data

(2) EU-15 figure in 2006

(3) 2007 data



Sustainability - in the heart of our business

- The EU food industry purchases **70% of EU agricultural produce**
- The EU food industry is **the largest agricultural importer** in the world

Therefore:

- The industry needs a **stable supply of high quality raw materials**
- The first objective of the industry is to use **100% of its agricultural resources** wherever possible



Food producers deliver real sustainability improvements together with our business partners

- We work with farmers on **sustainable agricultural practices** worldwide
- We **cut GHG emissions** in our factories by increasing energy-efficiency and using biomass as energy sources
- We **reduce water consumption** per tonne of production
- We **optimise packaging solutions** by cutting material and weight
- We set up and finance successful **packaging recovery schemes** across the EU
- We improve **transport efficiency** together with supply chain partners
- We **communicate with consumers** on all relevant product characteristics

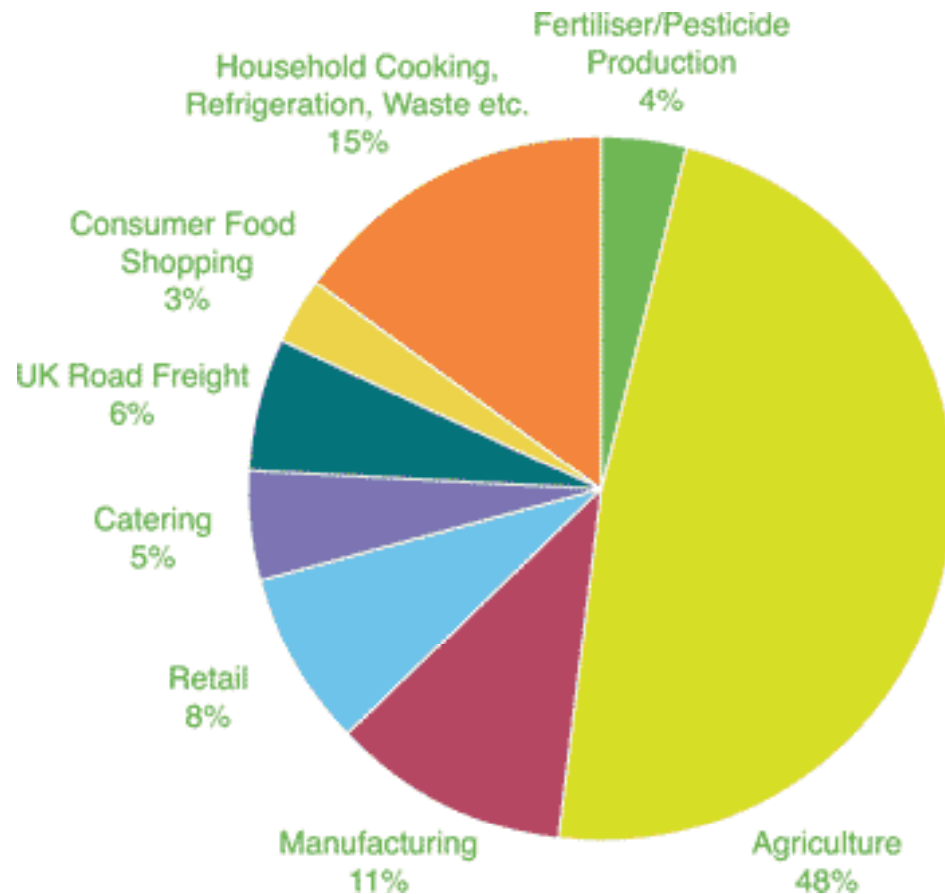
Take a closer look at: <http://envi.ciaa.eu>

Climate change will impact the food and drink industry supply chain

- Food security + climate change = two major challenges of 21st Century
- By 2050: World population will rise to >9 billion people
- Food demand is expected to increase by at least 50% globally
- Climate change will negatively impact agricultural productivity (IPCC)
- ✓ **The food industry calls for an ambitious, effective and globally equitable international agreement on climate change**
- ✓ **At the same time, the sector must be able to deliver its nutritional, economic and social contributions to society**
- ✓ Mitigation targets should be guided by sound science
- ✓ There is a need for effective adaptation measures, notably in agriculture



GHG emissions arise at all food chain stages



Farming accounts for 49% of total greenhouse gas emissions of the food chain, consumers for 18%, and food manufacturing for 11%.

(source: Defra, UK, 2005)



Harmonised and practicable environmental assessment methodologies are missing

- **Today: no uniformly applied assessment methodology** for food, apart from conducting standardised LCAs, which are too complex and too expensive for daily industrial practice
- **High diversity of food and drinks**, different environmental impacts at different stages of the life-cycle (e.g. sugar vs. milk vs. pizza)
- Specificities in terms of **health and nutrition** must be considered
- **Proliferation of competing schemes** developed by various actors within the EU (public authorities, retailers, producers)
- Different methods **assessing different impacts with different methodologies** (carbon footprint, water footprint, CO2 content of packaging, recyclability, air-freight, organic, etc)



CIAA at the Round Table

- CIAA is one of the 9 founding organisations
- CIAA co-chairs the Steering Committee and Working Group 1
- CIAA is actively involved in all Working Groups
- Mirror group structure in CIAA:
 - Allows CIAA to contribute effectively to the goals of the Round Table
 - Allows all CIAA members to add their input to the Round Table



CIAA priorities - WG1 - Environmental Assessment

- Identification of already existing methodologies
- Identification of main issues: functional units, allocation, consumer phase
- Harmonised framework assessment methodology



CIAA priorities - WG2 - Environmental Information

- Identification of existing and emerging tools
- Identification different types of messages: foot print information, use phase, certification, brands etc.
- Combine tools with messages – which tool suits which purpose?
What is best for the stakeholders?



CIAA priorities - WG3 - Environmental improvement

- Identify main environmental issues along the foodchain
- Show existing initiatives and commitment
- Illustrative examples along the food chain e.g. processes, environmental impacts etc.
- Suggestions to improve



CIAA priorities - General issues

- Involvement of green and consumer NGOs
 - European Environmental Bureau as observer
 - Round Table remains open to other NGOs
- High uptake of the deliverables
- International outreach
 - Working Group 4 to assist in developing international contacts
 - Meeting with the Sustainability Consortium



Confederation of the Food and Drink Industries of the EU



Confédération des industries agro-alimentaires de l'UE
Confederation of the food and drink industries of the EU

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