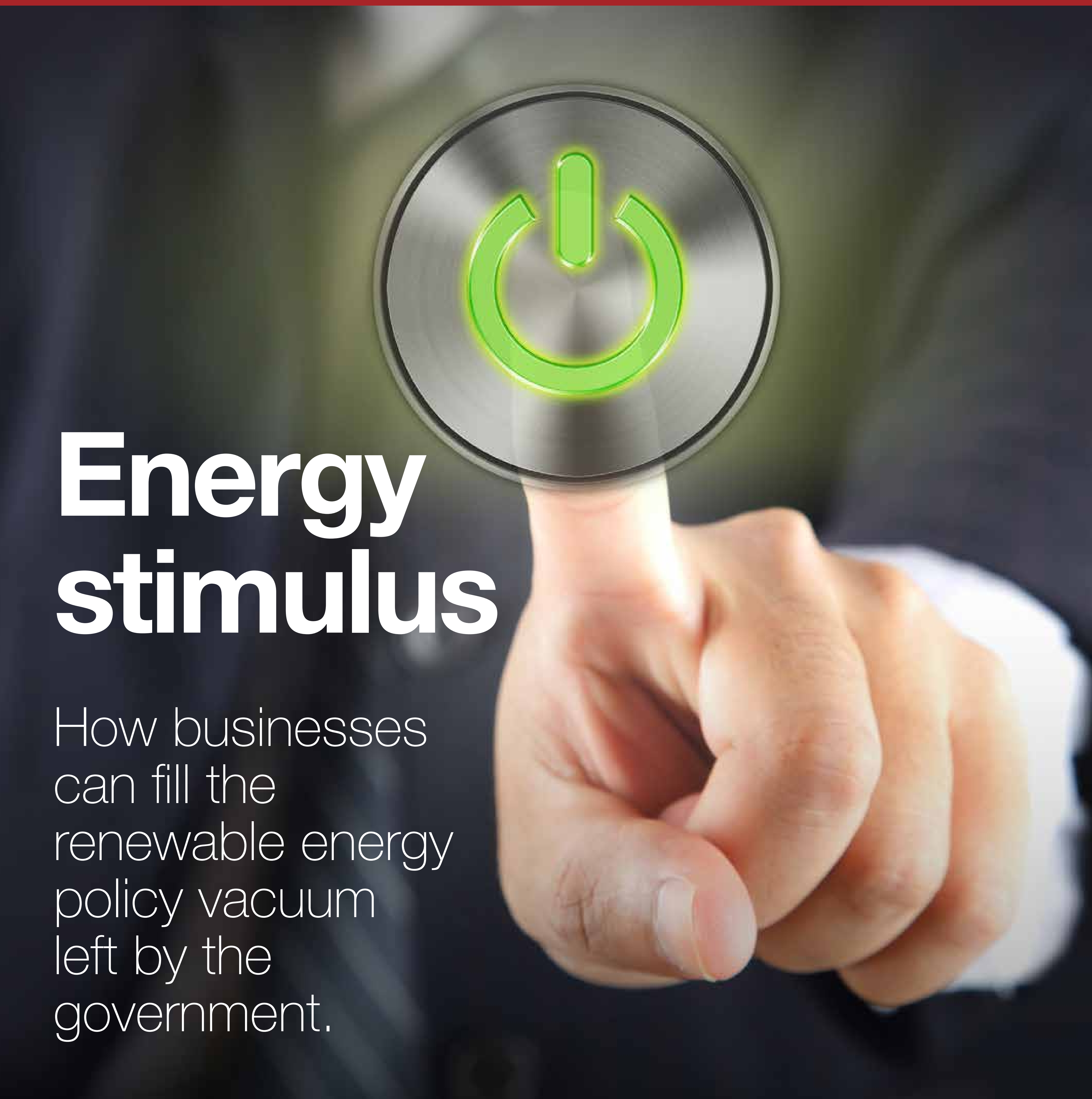
FOOTPRINT

SUSTAINABLE RESPONSIBLE BUSINESS FEBRUARY 2016



Energy stimulus

How businesses can fill the renewable energy policy vacuum left by the government.

Contents

Cameron's coat of green is rapidly wearing thin

REWIND THE clock six years and David Cameron and George Osborne were the golden boys of the green movement. Ever since, Cameron has made no secret that his commitments in opposition were hyperbole. Yet watching him in front of the liaison committee in January it was hard to tell whether (as *Footprint*'s associate editor, Nick Hughes, suggested to me) he genuinely doesn't understand the impact of his policies on renewables or he's lying through his teeth.

The prime minister (clearly flustered in the face of questioning by the likeable and knowledgeable Huw Irranca-Davies) said that claims the government was backsliding on its green commitments were "total and utter nonsense". He cited research by the international Green Group suggesting that Britain is "second best in the world after Denmark" on climate change commitments.

Actually, the UK is fifth, with Denmark fourth. "As in all past editions, places 1 to 3 are empty because, again, no country has done enough to prevent the dangerous impacts of climate change," the report noted.

The UK has, in Cameron's defence, moved up one place, from sixth overall. And expansion of renewable energies actually resulted in a leap of 12 places in that category. But the report's author, Wendel Trio, isn't sure how long the UK's heady position will last.

> 'Since being freed from the shackles of a coalition partner, Cameron and Osborne have scrapped or scaled back more than a dozen separate climate policies'

"While advocating for strong greenhouse gas emission reduction targets in international climate negotiations, the UK government seems to be unable to face the fact that in order to phase out fossil fuels some important steps need to be made," Trio, the director of CAN Europe, told the BBC.

"It is good that the UK supports the phase out of coal. If the UK government refuses to opt for clean solutions, then it risks putting its good ranking in danger," he added.

Cameron is undoubtedly relying on past improvements to keep the wolves at bay. It was interesting how many of the past successes he referred to at last month's hearing were under the coalition government.

Since being freed from the shackles of a coalition partner, Cameron and Osborne have scrapped or scaled back more than a dozen separate climate policies, including swingeing cuts in the solar and onshore wind incentive schemes. This has raised concerns that the UK won't meet future mandatory EU targets on renewables and emissions.

Amber Rudd, the energy secretary, last month said she was committed to meeting the targets, but has kept her master plan under wraps so far. With last year now officially the warmest on record, it can't be long before she starts to feel the heat.

As for Cameron? He'll stay safely in the shadows reminiscing about the past. Whether that's stupid or dishonest, you can make up your own minds.

David Burrows is editor of *Footprint* magazine

News review

Litter bugs, sugar addicts and stern words from the UN.

Rising tide of fast food litter

IT'S BAD NEWS for the burger joint. Keep Britain Tidy's latest litter survey shows that fast food litter was found at 32% of the sites assessed; a decade ago it was present at 20%. The problem hasn't gone unnoticed, either.

Last year the Commons communities and local government committee concluded that England is now "litter-ridden" and expressed concern with the rising levels of fast food rubbish in particular. There was better news for the Big Mac: McDonald's was commended for its staff litter patrols within 150 metres of each of its 1,200 outlets.

But that isn't enough. The committee also recommended the introduction of new on-pack labels for fast food and takeaway packaging to encourage responsible disposal. The government, in its recently published response, seems to be keen on the idea too.

The Foodservice Packaging Association also believes a fresh approach is needed, not least because the Tidyman logo found on packaging has been around since 1969. The move could be part of the government's promised National Litter Strategy, the first meeting for which took place last month.

Industry groups will be pushing for ways to "nudge" consumers to more responsible behaviour, rather than bash them over the head with a stick. Whether these will be enough to solve what has become an £850m clean-up bill for local authorities is far from clear.

Sick of slow progress on sugar

CONSIDER THIS. Almost one in three (31%) Brits are unwilling to make changes to reduce their sugar intake. Not big changes, but little ones: replacing sugar-frosted cereal with porridge and berries once in a while, or having some fruit rather than a glass of orange juice sometimes.

In other words, weaning the nation off its sugar habit isn't going to be easy. But that's the task facing those involved in compiling the new Childhood Obesity strategy. They have had no shortage of suggestions, and leading the charge is a tax on the white stuff (with NHS England the latest convert).

The pros and cons of such a move will continue to be argued until and after the strategy's publication. The whole debate has been mired in conjecture, controversy and confusion. Neither campaigners nor food companies have helped themselves.

Adapting an idea put forward in an article in February 2014 by New Scientist, imagine you are sitting at a table with a bag of sugar, a teaspoon and a glass of water. You open the bag and add a spoonful of sugar to the water. Then another, and another, and another, until you have added nine teaspoons. Would you drink the water? How about if it were labelled Coca-Cola, or Pepsi or Ribena?

Simple messages are how successful food brands entice more and more customers to buy their fare, but many still hide behind the shadowy metrics of guideline daily amounts and traffic lights, dubious sales figures on "low sugar options" and underhand marketing to children. As the latest Access to Nutrition Index showed, food and beverage companies have a powerful role to play in reducing obesity and improving nutrition, but "the industry as a whole is moving too slowly".

Food hasn't been part of hospitality's sustainability agenda

FOR TOO long food has been an afterthought for the hospitality sector's work on sustainability, according to the UN Environment Programme. "Many businesses in the industry, including hotels, restaurants, caterers and event managers, have looked at their environmental and social impacts and sought to reduce them, perhaps by adopting energy-saving measures or embracing best employment practice. Food-related impacts, however, appear not to have had the profile they deserve."

So it has launched guidelines to help, complete with four steps to responsible food sourcing:

- Establish your approach
- Integrate sustainability into your business
- Monitor performance and evaluate your progress
- Communicate your achievements.

The guide pulls no punches in terms of what's expected. "Those involved in purchasing food responsibly will need to consider and decide their positions and priorities on questions as varied as climate change and carbon labelling, shifting menus from meat to vegetables, animal welfare, minimising 'food miles', preferring local and seasonal food, organic farming, genetically modified organisms, fair trade and ethical trade, environmental and health matters, biodiversity versus monoculture, or cheap food versus quality food." Simple.

Paris Agreement: landmark victory or greenwash?

Hopes are high after a global agreement to curb global warming but critics are already suggesting the deal is too little, too late.

THE WORLD has finally agreed to cut greenhouse gas emissions from 2020. At the very least, the 195 countries committed to curb emissions to keep temperature rises below 2°C compared with pre-industrial times. Ideally, though, they'd like to cut enough to prevent even passing the 1.5°C mark.

The French, who hosted the COP21 talks in Paris, had promised an "atmosphere of confidence" and on paper they delivered (see boxout). The president, François Hollande, called the final Paris Agreement "the most beautiful and peaceful resolution". David Cameron's reaction was much less poetic and far more British. "I thought it was pretty good," the prime minister told the liaison committee during an evidence session last month.

Hollande could be forgiven his Gallic histrionics in the circumstances (the deal was struck in the wake of terrorist attacks on the city). But what marked these talks out from the Copenhagen summit in 2010 was the more considered approach. Out went the kabuki theatre of COP15 in Denmark and in came a structured script.

Countries had (mostly) long since submitted their carbon-cutting plans, for instance. Much was made of the Intended Nationally Determined Contributions, not least because they overcame the "I'll show you mine if you show me yours" stand-offs that derailed previous discussions.

The contributions set the foundations for a viable agreement. "The current INDCs, combined with policies over the last few years, present a real increase in ambition levels and demonstrate an unprecedented commitment and engagement by member states in tackling this major global challenge," said Achim Steiner, the executive director of the United Nations Environment Programme.

> Out went the kabuki theatre of COP15 in Denmark and in came a structured script

They won't be enough, however. UNEP has calculated that by 2030 a gap of 12 gigatons of carbon dioxide equivalent (CO_2e) will have emerged, putting the world on track to a 3°C temperature rise (temperatures have already risen about 1°C since pre-industrial times). To put it another way, the commitments are about half the total required to reach a global emissions level of 42 gigatons of CO_2e in 2030 – the level that offers a likely chance (more than 66%) of staying below 2°C by 2100.

"In order to close the gap it is essential that the Paris Agreement adopt a dynamic approach in which ambitions, the mobilisation of climate finance and other forms of co-operation can be adjusted upwards at regular intervals," Steiner said in November.

Some of the sceptics have therefore been reassured by the inclusion of a ratcheting mechanism in the 32-page Paris Agreement that "urges those parties whose intended nationally determined contribution … contains a time frame up to 2025 to communicate by 2020 a new nationally determined contribution and to do so every five years thereafter". There will also be a global stocktake of emissions every five years, with the first due in 2023.

As a result, observers broke for Christmas with reason for cheer and reason for fear. Writing in a blog for the Committee on Climate Change, Lord Deben and Lord Krebs (the CCC chair and sub-committee chair respectively), explained that the deal would never have been complete without this method of review against targets and a system to make the necessary adjustments.

However, "if indeed progress is slow, and global emissions do not fall as quickly as they need to, further challenges will lie ahead. To keep on track to the 2°C commitment, let alone 1.5°C, some nations will have to ratchet up their effort potentially over a relatively short period of time. The UK, for example, has previously said that the EU should increase its emissions cuts for 2030 from 40% to 50%, if other countries agree to do more."

The Paris Agreement runs to 32 pages. In summary governments agreed:

- a long-term goal of keeping the increase in global average temperature to well below 2°C above pre-industrial levels;
- to aim to limit the increase to 1.5°C, since this would significantly reduce the risks and effects of climate change;
- on the need for global emissions to peak as soon as possible, recognising that this will take longer for developing countries;
- to undertake rapid reductions thereafter in accordance with the best available science.

And we're back to "you show me yours first". Indeed, fuller analyses of the deal are already emerging. In a joint letter to the *Independent* last month, a group of eminent climate scientists claimed that the countries have not proposed an urgent mechanism to ensure immediate cuts in emissions; rather they have sought to "kick the can down the road".

"Given that we can't agree on the climate models or the CO2 budget to keep temperatures rises to 2°C, then we are naive to think we will agree on a much tougher target in five years when, in all likelihood, the exponentially increasing atmospheric CO2 levels mean it will be too late," they said.

That's one way of bursting the bubble of optimism. Their concerns could be well-founded – reports suggest that some leaders have returned home from France only to declare that what has been agreed won't have an impact on domestic policy. The prime minister hasn't done this, but since May he has taken an axe to green initiatives.

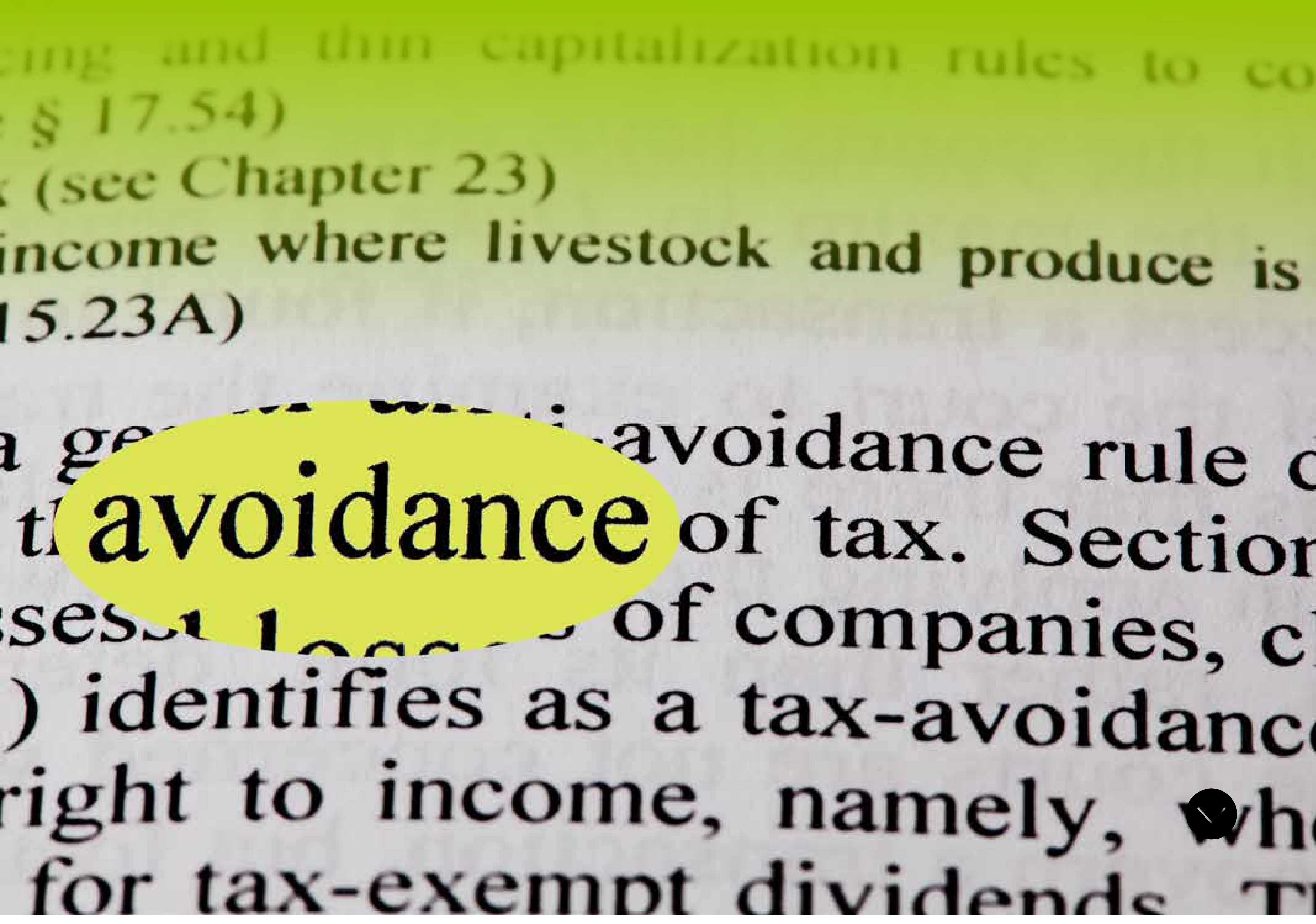
Huw Irranca-Davies, who also chairs the environmental audit committee, put Cameron on the spot in the liaison committee last month when he highlighted the "concerted criticism" the government has faced in relation to the "short-termism and uncertainty" surrounding environmental policy.

Cameron said it was "utter nonsense" that "on the one hand Britain helped to pioneer this climate change agreement, and on the other hand that it is somehow backsliding on its green commitments".

Time will tell whether he is backsliding or forward-thinking on climate commitments, but as the victims of the recent floods will testify there isn't much of that left.

Tax avoiders have hell to pay

Campaign groups, newspapers, MPs and even the European Commission are on the warpath. Can companies afford to keep dodging the Revenue?



IN DECEMBER, STARBUCKS declared its largest ever UK profit and its biggest tax bill. Three years after the company was shamed for avoiding tax, the announcement appeared, as the *Financial Times* reported, "to draw a line under a unique episode in British taxation".

Questions over Starbucks' accounts remain, but there is no shortage of fresh blood for campaign groups, newspapers and politicians if the coffee chain really has cleaned up its act.

Google has hogged all the attention of late, but big food companies like Cadbury and McDonald's have also entered an ever-expanding hall of shame. The latter is to be the subject of a European Commission investigation to "look very carefully" at a tax ruling in Luxembourg that led to the firm paying no tax on its European royalties.

Meanwhile, the *Times* recently discovered that Cadbury, which is now owned by Mondelez International, paid no corporation tax in Britain in 2014 on £2 billion in revenues. The paper noted: "It is anybody's guess how the 19th century Quaker founder of the chocolate business – a pin-up for ethical capitalism for his altruistic treatment of workers – would have felt about the owner's moral compass."

No business wants to pay more tax than it has to, but the subject has – as the accounting firm PwC puts it – "become a reputational issue". Increasingly, customers, media and campaign groups want to know the tax strategies and total tax contributions of major companies. Even staff are beginning to ask more questions.

"The UK's biggest companies remain under pressure to respond to the various stakeholders who are interested in their tax affairs," said Andrew Packman, the firm's tax transparency leader, in a recent study. Packman reviewed the 2014 reports across the FTSE 100, as well as any available corporate social responsibility reports. More than half (56) disclosed their approach to tax, up from 49 in 2013. However, only 40 provided any information on their total tax contribution. Still, this was more than the 24 in 2014 and showed a "trend towards increased tax transparency".

But is this enough?

Given the shambles at HM Revenue & Customs, probably not. In its inquiry published late last year, the Commons public accounts committee (PAC) recognised that more tax was being collected in spite of a reduction in running costs at the department. However, "tax avoidance remains a serious concern", said the committee's chair, Meg Hillier. "Too many avoidance schemes run rings around the taxman, operating legally but gaining advantages never intended by Parliament. If tax law is to be improved then HMRC must as a priority provide Parliament with comprehensive details of avoidance," she added.

Transparency was a word used with increasing frequency during a PAC hearing in 2012. That's when Starbucks, Amazon and Google were all hauled in front of the committee to explain themselves. All left red-faced.

"At a stroke these companies, and I suspect the whole corporate world, have lost any moral high ground they might have hoped to claim on this issue," noted Richard Murphy from Tax Research UK.

With HMRC under fire and underfunded, it may well be left up to companies to reassess their tax affairs from this moral vantage point. This won't be easy given their responsibilities to shareholders, but it could prevent further public attacks, exposés and inquiries.

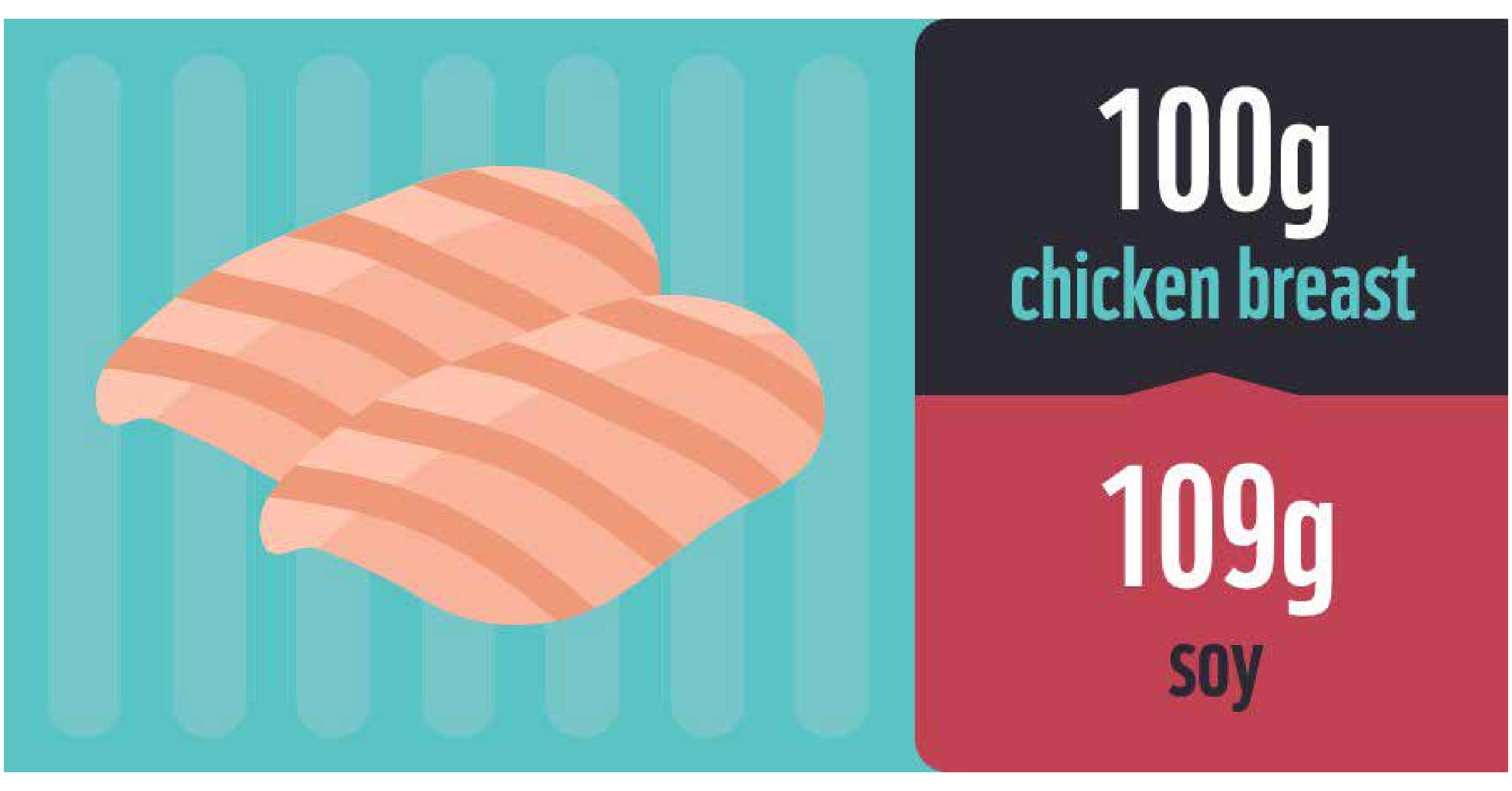
Starbucks has taken a small step in the right direction, it seems, but very few companies are yet prepared to spill the beans on their tax affairs.

February's magazine in numbers

1.5°C – the rise in global temperatures countries have committed to

Five years on from the disaster in Copenhagen, the world finally made a commitment to cut greenhouse gas emissions beyond 2020. At best, the 195 countries signed up want to keep temperature rises within 1.5°C. However, current commitments will result in 3°C, so there is plenty more work to do.

109g – the amount of soy 'hidden' in a 100g chicken breast

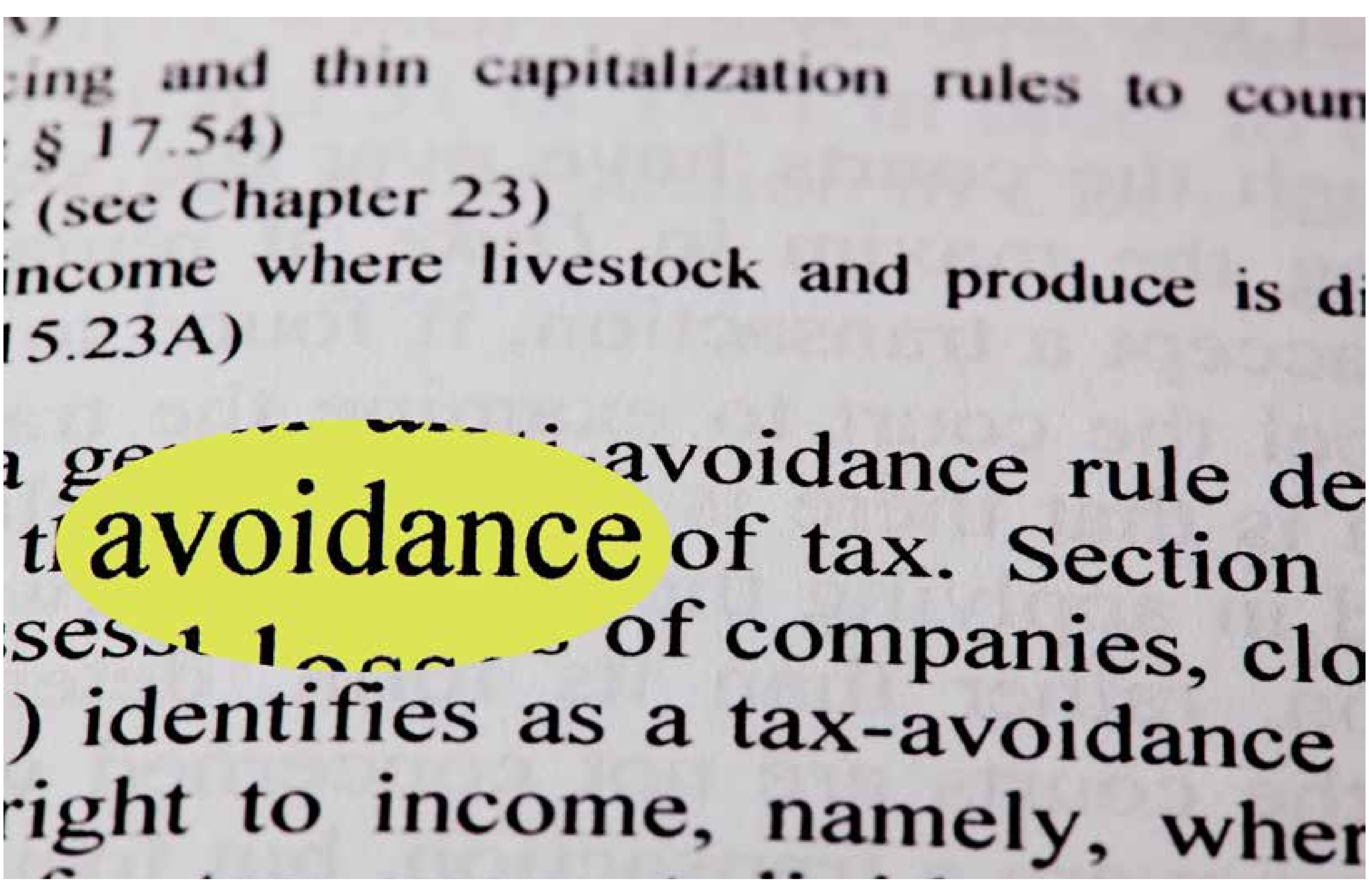


WWF-UK is in the thick of its 2016 investigation into the food industry's soy procurement policies. Foodservice companies had better watch out because the charity has heard the excuses and wants to see action. "It's time for the foodservice sector to come out of hiding, step up and take responsibility."

€5.1bn v €0.7bn – US v EU agriculture sector benefits from TTIP

The US Department of Agriculture has calculated that the Transatlantic Trade and Investment Partnership (TTIP) would give the US agricultural sector a €5.1bn (£3.8bn) lift, compared with a paltry €0.7bn for the EU. The deal has also raised questions regarding a potential weakening of animal welfare and pesticide use in the bloc.

£0 – the amount of corporation tax paid by Cadbury



Tax avoidance is back on the agenda. Cadbury has been exposed by the *Times*, while McDonald's is being investigated by the European Commission. Meanwhile Starbucks is set to pay its biggest corporation tax bill (£8.1m). But when will corporates start to see tax transparency as a measure of sustainability?

57% – recycling of packaging and food waste across the foodservice sector

WRAP's latest figures from the Hospitality and Foodservice Agreement suggest that there's plenty more work to be done to hit the 2015 target of recycling 70% of packaging and food waste. The sector has edged much closer to the 5% waste prevention target, though, hitting 3.6% by the end of 2014.

Behind the headlines

TTIP: toxic treaty or the real deal?

British businesses face uncertainty from a US-EU trade pact which will open new markets but threatens to undermine key regulations. By Nick Hughes.

AS THE FRENZY builds around the forthcoming EU referendum, a treaty with potentially just as significant ramifications for UK business is quietly coming to fruition.

The stodgily named Transatlantic Trade and Investment Partnership (TTIP) between the US and the EU is likely to be ratified in 2016 after years of sensitive, and secretive, negotiations. The aim is to remove both the direct and indirect barriers to trade, particularly in agricultural commodities, that prevent businesses from accessing the transatlantic market.

On the face of it TTIP should mean that UK businesses get easier access to the US market of 300m consumers and a source of cheaper supplies, particularly in areas such as energy and food where US production costs are cheaper than those in Europe.

But the negotiations have been mired in controversy, with critics fearing a watering down of food and environmental standards that will serve the interests of US agribusiness giants at the expense of small- and medium-sized EU producers.

The anti-poverty charity War on Want describes TTIP as a "toxic trade deal", while a Stop TTIP petition from a group called the European Citizens' Initiative has garnered more than 3m signatures.

So what are the implications of TTIP for the UK and in particular for food businesses?

The first point to note is that the benefits of TTIP are fiercely contested. The UK government, which is strongly in favour of the deal, claims that TTIP represents a significant economic and geopolitical opportunity that could add up to £10 billion annually to the UK economy or up to £100 billion over 10 years.

Opponents argue that such estimates significantly overstate the gains and that the alignment of regulatory standards in areas such as consumer safety, environmental protection and public health could have unforeseen social costs.

> 'Negotiations have been mired in controversy, with critics fearing a watering down of food and environmental standards'

There is also evidence that the deal will benefit the US far more than the EU. A recently published US Department of Agriculture report on the implications of TTIP for the agricultural sector concluded that the US would gain much more in food exports, with significant increases in beef and dairy in particular. The increase in US imports would also deflate EU agricultural prices, according to the report, damaging the prospects of European farmers.

Other concerns include the potential weakening of EU environmental regulations and food standards that are mostly stricter than in the US. GM crops, for example, are strictly regulated in the EU, which also has directives prohibiting the sale of meat treated with certain growth hormones and chicken washed with chlorine – both common practices in US food production.

A House of Commons briefing paper on TTIP published in December 2015 notes that the US has previously disputed such rules at World Trade Organisation level, and has called the bans "unscientific" and part of a protectionist strategy to shut US farms out of EU markets. Barack Obama is on record as saying that one of the major objectives for his country with TTIP is the elimination of food standards that the US believes are not based on science.

The UK government has repeatedly stressed it does not intend to allow TTIP to undermine the UK's ability to set its own welfare and regulatory standards when it comes to animal health. Critics remain unconvinced, with even impartial observers urging caution. The chair of the Commons environmental audit committee, Joan Walley, says: "The focus in TTIP has been on its potential for boosting transatlantic trade, but that must not be at the expense of throwing away hard-won environmental and public health protections."

Concerns have also been raised that TTIP could erode the protection offered to European regional food specialities, resulting in the US exporting cheaper versions of products such as parmesan cheese, olive oil or prosciutto – descriptions the US argues are generic but many EU food producers rely on to sell their goods at a premium.

If a race to the bottom does materialise, Mintel is predicting a consumer backlash against a flood of low-quality food imports. In a report setting out five key European consumer trends set to affect the market in 2016, it predicts that fears surrounding TTIP will cause consumers and brands to react by favouring purer and more natural products. "For some consumers, this will trigger a reaction where they opt to go local, go natural or go DIY instead," says Mintel's senior trends consultant Richard Cope.

The momentum behind TTIP appears irresistible and a deal is expected to be agreed by the end of the year before going before Congress and the European Parliament in 2017.

Once implemented, the food landscape as we know it will almost certainly have changed forever.

Political Print

Food firms have so far been cagey on EU exit, but for most businesses Britain is surely better in than out.

THERE ARE NO prizes for guessing what issue will be at the axis of British political debate in 2016. Whether Britain should stay in the EU is one of those rare political questions that both generates strong public interest and has ramifications for each and every sector of UK plc.

Food is no exception – quite the opposite, in fact. Food is one of the industries whose future is most inextricably linked with Brexit or otherwise.

To date, those representing “Big Food” have kept their cards close to their chest, no doubt waiting for the details of David Cameron’s renegotiation of the terms of Britain’s EU membership. Yet, reading between the lines, it seems clear that Brexit would create huge uncertainty for UK food businesses and that, by and large, it’s a case of better the devil you know.

At the City University Food Policy Symposium, held just before Christmas, a panel containing senior figures from the National Farmers Union and Food and Drink Federation refused to be drawn on whether their members would be throwing in their lot with the in or out campaigns. But it was instructive that both organisations focused on talking up the benefits of EU membership while mostly glossing over the negatives.

Speakers kept returning to a number of central themes. Immigration may be an emotive issue for the British public, but for the food industry it’s clear that sectors such as farming and foodservice would struggle to function effectively without access to migrant labour from the EU.

It seems clear that Brexit would create huge uncertainty for UK food businesses and that, by and large, it’s a case of better the devil you know

The EU’s role as a lawmaker was also spoken of in largely positive terms. An excess of EU “red tape” is often touted, particularly by the right-wing press, as a key reason to get out of Europe. Food is a popular device for highlighting unnecessary, burdensome and often plain stupid rules – who can forget the infamous bendy cucumber? Yet the reality is that the EU’s role as a food regulator is largely welcomed by the industry as it sets a level playing field for competition within the trading bloc and is vital to delivering (although not guaranteeing) food safety, standards and integrity.

If anything the UK’s desire for tougher food laws is reined in by less developed member states, particularly in eastern Europe. Traffic light labelling, which the UK has pushed for on a voluntary basis after the EU vetoed it, is a case in point.

That said, however, there are issues that provoke largely negative feelings where the food industry’s relationship with Europe is concerned. The vast amounts of EU money spent on subsidising farming through the Common Agricultural Policy – a major part of the UK’s net contribution to the EU budget – is a constant source of frustration in Westminster where, regardless of politicians’ rhetoric, agriculture is not considered as important a sector as in some other EU member states.

An argument can be made that being part of a large trading bloc can divert trade from better, more efficient suppliers in non-EU markets. EU trade rules can also hinder populist attempts by national ministers to favour local produce in public procurement.

For some interest groups, such issues will be sufficiently persuasive to make Brexit an attractive option. But for the majority in the food industry who believe we are better together, now is the time to make their voices heard. If Britain votes to leave the EU, there will be no going back for second helpings.

My viewpoint

Soy may be a hidden ingredient but companies have started to see the light and commit to sourcing responsibly, says Emma Keller.

Dry soy plantation, Barreiras, Brazil. ©Adriano Gambarini, WWF-Brazil

“HIGH IN PROTEIN and energy, soy is one of agriculture’s “wonder crops” and is a key part of our global food chain. However, in recent years it has undergone the greatest expansion of any global crop and its popularity threatens tropical forests and other important ecosystems such as savannahs and grasslands. It’s also contributing to wildlife habitat destruction as well as greenhouse gas emissions.

The UN Food and Agriculture Organisation (FAO) predicts that soy production could increase by 140% to 515m tonnes by 2050. Companies that buy considerable volumes of this crop therefore need to change their behaviour – and fast. Destruction of ecosystems and overuse of agrochemicals, which can damage local waterways, have got to stop. In short, responsible soy production must become the norm.

Seventy per cent of soy is used as animal feed and as such is a “hidden ingredient” in many products in restaurants, canteens and supermarkets. Some research we carried out last year showed that the average European consumes about 61kg of soy a year. Most of this is consumed indirectly through animal products: chicken, hamburgers, pork and farmed fish such as salmon, as well as other products including eggs, cheese and milk. It takes 109g of soy to produce 100g of chicken breast, and 35g for one 55g egg.

In our last WWF soy scorecard we saw that retailers were way ahead of companies in other sectors in terms of their commitments and procurement of responsibly produced soy. In fact, almost none of the foodservice companies assessed were performing as well as they should; some didn’t even respond to the questionnaire we sent them despite repeated requests (indeed, in February 2014 *Footprint* reported it as the “Soy sourcing scandal”).

I frequently hear excuses from these companies. “We don’t have any power in the supply chain” and “There is not enough Roundtable on Responsible Soy (RTRS) certified soy available” are two of the most common. But this is simply not the case. Just half of the RTRS soy grown is currently being sold, which leaves plenty of room for companies to request only responsibly sourced soy from their supply chains. Doing so would have considerable ripple effects down the supply chain and help to reward responsible producers and encourage more to join in.

Another frequent excuse is the cost. Yet given the current prices for soy and the cost of the damage to the environment in the long run, the additional cost for responsible purchasing behaviour is negligible. I don’t want to hear any more excuses, I want to see action being taken.

We’re repeating the scorecard exercise this year and we hope to see considerable progress from a foodservice sector that has been lagging behind for too long. So what are we asking for?

For companies, it is simple – the first step is to become a member of the RTRS and join more than 180 others representing actors all along the supply chain. The next step is to buy RTRS certified raw material and make a long-term commitment to use 100% sustainably sourced raw material.

For consumers, we are not saying don’t eat meat or dairy products – that’s not a helpful message. What we need consumers to do is to moderate meat consumption in line with our Livewell principles. Secondly, we need consumers to buy from retailers and foodservice companies that ensure the animal products they sell have been fed with responsible soy.

This trend is already under way. As well as becoming more health conscious, consumers are becoming more environmentally conscious and irresponsible sourcing behaviour just isn’t going to fly. If companies want to be truly sustainable they must take responsibility for their supply chains and commit to sustainably sourced raw materials.

It’s time for the foodservice sector to come out of hiding, step up and take responsibility. Come May, when we publish the scorecard, we’ll know who has done just that.”

Emma Keller is agricultural commodities manager at WWF-UK

UK government swims against the green tide

Experts fear that Cameron and co are undermining the renewable energy sector just as it is most needed in the wake of the Paris deal. Can private initiatives fill the gap, asks Nick Hughes.

IT HAS BEEN a rollercoaster few months for UK suppliers of renewable energy. In December, the historic agreement at COP21 in Paris to limit a rise in average global temperature to below 2ºC seemed to mark the passing of the energy baton from fossil fuels to clean sources of power. Yet, concurrently, the UK government has been embarking on a programme of policy making that many feel is undermining the transition to a green energy supply.

At a time when many businesses, including those in the food industry, are seeking to reduce their reliance on fossil fuels by switching to greener forms of energy, the ripple effect of recent political events could be felt well into the future.

The Conservative government has either scrapped or scaled back more than a dozen climate policies over the last six months including cuts in subsidies for solar and onshore wind and a watering down of energy efficiency initiatives.

The effects, say experts, could be chilling for the clean energy sector. Britain's renewables industry is about to "fall off a cliff" just at the point it would otherwise be coming into its own, according to recent research carried out by Bloomberg for the *Independent*. The research forecasts that, having experienced record levels of investment in 2015, over the next five years the UK will lose at least 1 gigawatt of renewable energy generation, enough to power 660,000 homes. It predicts that after 2020, the new renewables infrastructure will collapse to almost nothing because of a lack of investment.

'At a time when many businesses are looking to reduce their reliance on fossil fuels, the ripple effect of recent political events could be felt well into the future'

Despite the gloomy predictions the UK government has been resolute in its defence of its policies, repeating the line that its priority is to provide clean and secure energy while keeping bills down and that it is helping new technologies stand on their own two feet while meeting its renewables commitments.

The evidence is in the government's favour, up to a point. However, while the UK is indeed on track to hit its targets under the first three carbon budgets that run until 2022, the independent Committee on Climate Change (CCC) warned last summer that under current policies the UK is likely to miss its fourth carbon budget, a scenario that doesn't take into account recent policy changes.

For the renewables industry, there is a sense that the rug has been pulled from under its feet at the most critical moment. "Before the government changed the policy goalposts, onshore wind and solar were on track to be the cheapest sources of UK power with the potential to be subsidy-free by 2020," points out Juliet Davenport, the chief executive of green energy supplier Good Energy.

Even businesses without a direct interest in the success of the renewables sector are expressing concern that the certainty and security needed for companies to invest in green energy is being undermined.

In the aftermath of the government's renewables announcements, the CBI's director general, John Cridland, spoke publicly and pointedly about the "worrying signal" the change in direction gave to businesses. His concerns were echoed by the Unilever chief executive, Paul Polman, who talked about cuts to wind and solar subsidies sending "the wrong signal" to business in a BBC interview before the Paris talks.

Green energy hasn't been a priority for the new UK government.

Not long after Cridland's intervention, the CBI published the results of a survey showing a fear among businesses that policy changes are putting energy investment at risk. Almost three-quarters of respondents to the CBI/AECOM Infrastructure Survey identified security of energy supply as crucial and 97% felt that investment into a diverse energy mix was vital. Yet 90% of companies surveyed believed investment was being put at risk by short-term policy changes.

The private sector was heavily represented at the COP21 talks and, publicly at least, most businesses were urging national governments to be ambitious. In the event, they got their wish. However, doubts remain about just how individual countries are going to make good on their decarbonisation promises. The final text of COP21 noted that much greater emission reduction efforts would be required in order to keep temperature rises below 2ºC than is currently set out in national plans. The implication is that a shift to renewables is fundamental to hitting, and exceeding, this target.

Globally, the shift to a low-carbon economy is already taking place. Last year was a record-breaking one for renewable energy with investment up 4% to $329 billion (£230 billion), according to data from Bloomberg. China, in particular, is going great guns for solar, onshore wind and biopower, and growth is also being driven by emerging markets in Latin America and the Asia-Pacific region. However, European investment has dipped well below its peak in 2010/11, partly because of the crash in oil prices and the fall in the price of natural gas due to the US fracking boom.

Yet the pace of change is not nearly fast enough. In the World Economic Forum's list of top global risks for 2016 a failure of climate change mitigation and adaptation was ranked number one – the first time since the report was published in 2006 that an environmental risk has topped the rankings, pushing issues such as weapons of mass destruction and large-scale involuntary migration into the minor places.

Sensing the urgency of the situation, many forward-thinking businesses are pressing ahead with ambitious energy transition programmes of their own.

RE100 is a global initiative with the aim of engaging, supporting and showcasing influential companies committed to using 100% renewable power. It is convened by the Climate Group in partnership with CDP, and the list of signatories includes major food industry players such as Unilever, Ikea, M&S, Nestlé and Starbucks.

'If, as it seems, the UK government is intent on taking a back seat in the green energy transition, businesses themselves will need to move in and fill the policy vacuum'

Unilever already purchases 100% renewable energy for all of its factories in Europe and North America and globally has a target to reach 40% renewable energy by 2020 and 100% renewable energy by 2030 through a mix of purchased and self-generated renewables.

The investment community is also, slowly but surely, engaging with the issue. During COP21, a group of 20 institutional investors with assets worth well over £300 billion joined forces to call on more of the world's largest companies to commit to 100% renewable power by joining the RE100 group. Where investors lead, businesses invariably follow.

On a smaller scale, some of the UK's more progressive companies are generating their own energy through circular economy approaches. At Unilever's UK Marmite factory, 18,000 tonnes of solid Marmite waste is converted into methane via an anaerobic digester, which is used to provide 30% of the factory's thermal energy.

Wyke Farms, meanwhile, has gone a step further and is now supplying a large proportion of Sainsbury's "green" gas, which makes up 6% of the supermarket's total gas use. "We source all of our electricity and gas from both solar and biogas, generated from the farm and dairy waste," says Wyke's managing director, Rich Clothier. "Supplying customers with gas as well as cheese, taking waste back in return, all forms part of the type of circular approach where everyone is a winner." Wyke is keen to offer similar opportunities to other businesses committed to addressing their environmental impact.

Whether such initiatives and commitments will be sufficient to keep the UK renewables market moving forward, only time will tell.

A market-based view suggests that with increased demand will come increased supply and ultimately falling prices, regardless of the wider political environment.

Yet governments can enable business change by reducing investment risk and incentivising positive action. If, as it seems, the UK government is intent on taking a back seat in the green energy transition, businesses themselves will need to move in and fill the policy vacuum. The signs are they are doing just that.

When the story of the switch to green energy is told many years from now, the UK government risks finding itself on the wrong side of history.

And the honours go to...

From harnessing social norms to healthy vending, the Health & Vitality Honours showcase ideas that need spreading. Amy Fetzer reports from this year's awards ceremony.

DID YOU know that just telling your customers that most people have vegetables with their meal will get more of them ordering greens? Or that if you ditch high-calorie junk food to offer students healthy, local and fair trade vending options, that sales will increase?

These were some of the innovative initiatives that beat fierce competition to bag an award at the Footprint 2016 Health & Vitality Honours in January. The event, now in its fourth year, drives the healthy eating agenda in foodservice by celebrating and showcasing initiatives that enable customers to make healthier choices while increasing commercial opportunities.

Harnessing our influence

Poor diet is a major cause of ill health in the UK and Ireland. About 62% of adults are overweight or obese and it feels like every week brings more research linking excess weight and poor diet choices to "lifestyle diseases" such as cancer, diabetes and heart disease. With one in six meals eaten outside the home, foodservice firms must take responsibility for helping customers make healthier choices.

"If we want people to change what they eat, we really need the foodservice sector to be setting an example," says the special achievement award winner, Professor Susan Jebb OBE, a nutrition scientist at the University of Oxford. "And here at the awards, there are some brilliant examples of good practice which are popular with customers and which are really good for people's health. It's a fantastic occasion."

Jebb's comments neatly capture the mood of the awards, now considered one of the major events in the foodservice calendar. Shirley Duncalf, the head of sustainability for Bidvest Foodservice, agrees: "This event is important as it makes sure we bring all the right people together to collaborate on solutions to deliver healthy and user-friendly diets."

The foodservice sector "needs to be setting an example" if diets are to change, and the HVH demonstrate how some firms are doing just that.

Education in action

Foodservice has been "leading the way in health and wellbeing in the workplace for many, many years", says Compass's foodservice director, Michael Hickman. The last year, however, has been notable for the "huge drive in providing the consumer with the education and information they need to make a balanced choice, and the understanding of what is in the food we are providing them with".

From the work done by ISS at Barclays Bank to get staff eating and understanding healthy food, to Sodexo replacing high-calorie, low-nutrition vending at Southampton Solent University with health-conscious, locally sourced, low-calorie organic options such as juices, popcorn and baked vegetable crisps (which have helped contribute to a 20% uplift in sales), entries had to demonstrate that initiatives are both effective and commercially beneficial.

L to R: Matt Dawson MBE; Professor Susan Jebb OBE and winner of the special achievement honour; Wan Mak, Head of nutrition and dietetics at Sodexo UK & Ireland

Winners boost

And winning can bring its own benefits – magnifying an initiative's success by promoting the initiative to its target audience, according to Harriet Knights of winners Brighton and Hove city council. The council bagged a public-sector health & vitality honour for its work in making Brighton a "sugar smart city".

Winning also provides much-needed motivation that the staff need to keep "initiatives alive", according Judy Roberts, the creative director of CH&Co, which sponsored the public-sector award and also took the healthy hospitality honours. The company's social norms research revealed that just telling people that other customers chose vegetables with their meal, via posters and table talkers, was enough to influence them to eat more vegetables. The initiative changed customers' behaviour "without them realising they are being influenced", making it "quite painless for them to eat vegetables after all".

But the value of successful initiatives is that "with such knowledge comes the power to help to influence the customers we feed each day by changing the way we think about the messages we give them about healthy eating", Roberts says. This is a lesson that every part of the sector can learn from.

Top trends identified

The Footprint Health & Vitality Foodservice Trend Report 2016, supported by Bidvest, was also launched at the event. Identifying top trends such as sustainable menus and the importance of nutritional training for chefs, the report is a sneak preview of the full Footprint Sustainability Index coming this year. It spotlights which parts of foodservice have made good progress as well as the players who need to up their game.

"This report is so important because it presents what the industry needs to focus on in a very simple and user-friendly fashion," says Duncalf.

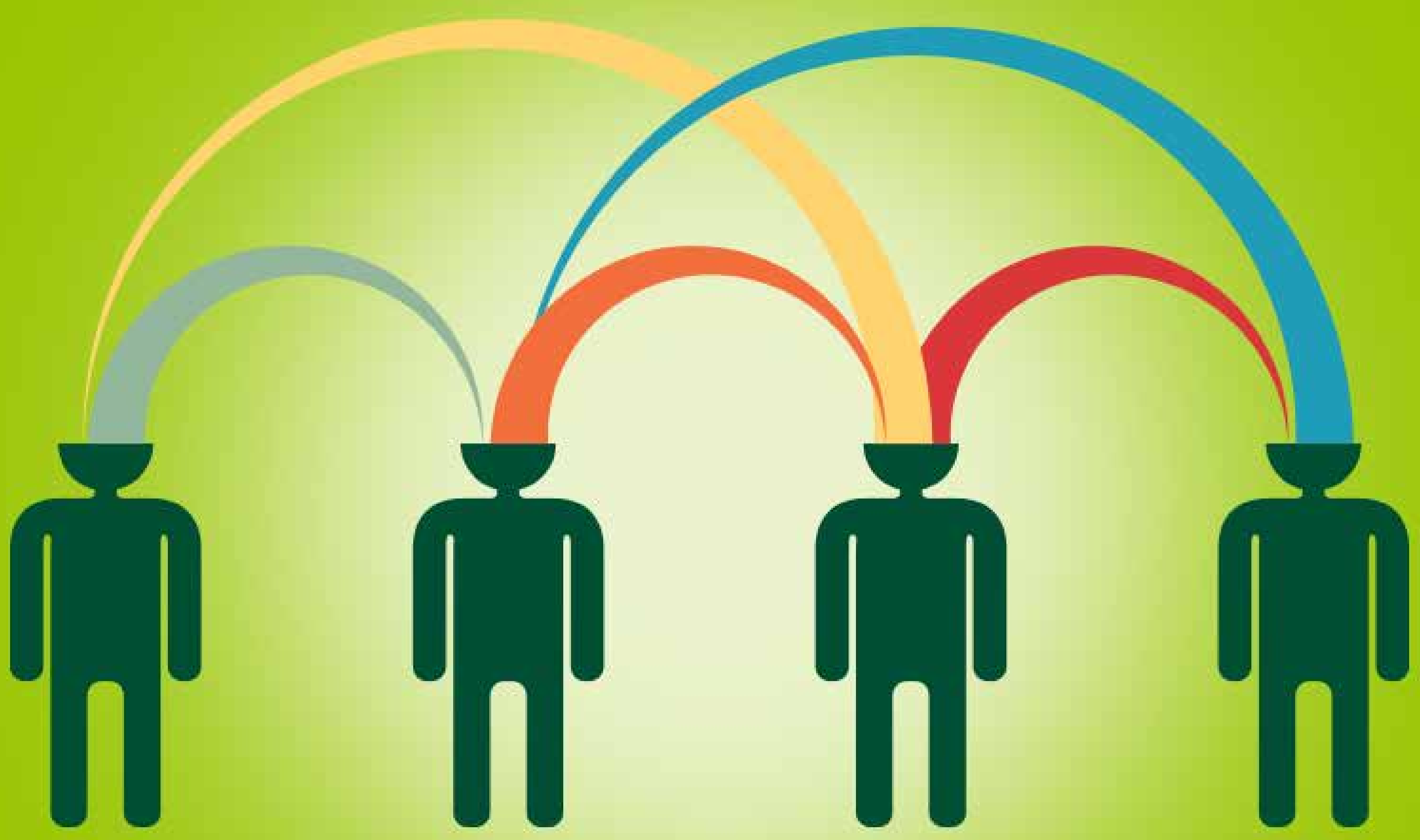
It also highlights a key theme of the night – that foodservice has the responsibility to make out-of-home food healthier, whatever the policy or voluntary framework. As Amanda Ursell, the Health & Vitality Honours' principal ambassador, summed up, "regardless of what happens to the Responsibility Deal, this is not the time to take our foot off the pedal. The problems associated with nutrition in this country are not going away, they're getting worse and we all have to do something to help reverse that."

The challenge to foodservice companies is to build on this year's winning formulas and come up with even more ambitious, effective and far-reaching entries for next year, to show that those in foodservice have begun to truly embed healthy eating into the out-of-home experience.

For a full list of winners, click here. To view film of the event, click here.

Top tips for target reporting

As companies analyse their progress against 2015 environmental targets, marketing expert Jo Arden explains why honesty is the best approach.



AS THE NEW year gathers pace, many brands in the food sector are already putting together reports on their progress against 2015 sustainability targets. Last year was an important staging post for many companies on issues such as sustainable palm oil procurement. Industry-led initiatives such as the Hospitality and Foodservice Agreement on Waste also included 2015 targets and soon we'll know if they've been hit.

As such, there is likely to be some debate about how much information should be shared. Despite fairly broad recognition now that sustainability is something that can only be addressed properly through collaboration, brands remain nervous about sharing what has and, more so, has not been achieved.

How should companies approach this now-essential area of disclosure? Communications strategy expert Jo Arden provides her top five tips.

1. Be honest. It is now a given that most brands see that the consequence of dishonesty is not worth the risk. Consumers want to – and should be able to – trust the brands they buy. And if there is even a whiff of deceit, then it is all too easy for them to find and share the truth. Diageo, for example, came under fire last August for what appeared to be some skirting around its missed sustainability targets. By being more upfront it could have avoided a lot of media scrutiny and speculation and explanations that, while very reasonable, felt less so after the event. So be frank: we are all in this together.

2. Be complete. Sustainability is a learning journey. Sharing the reasons why targets have been met or not met, as well as scoring progress against them, is really valuable. There is much social equity in knowledge – and brands innovating in the way they work have plenty of interesting experience that consumers would like to hear about. If targets have been missed it's essential to get ahead of the story and explain why. In its Plan A 2015 report, Marks & Spencer gives the same space to targets that have been missed or are behind plan, as to those that have been met. The result? The reader feels like a genuine partner in its mission.

3. Collaboration. No business can solve its sustainability challenges alone. Community platforms bring businesses together to help solve issues from across the sustainability spectrum, reflective of a more openly collaboratively approach that is being adopted today. Mars has set up the Global Food Safety Centre, which aims to develop partnerships to raise the standards of food safety globally. Where collaboration has worked, it is important that brands acknowledge it in their reporting, creating a virtuous circle of trust and collaboration from business partners and consumers alike.

4. Make a follow-up plan. If targets have been missed then the reporting provides a good opportunity to review the plan and get back on track to meet the target over a set period. Several years ago the Walt Disney Company declared an intention to overhaul paper sourcing for books and magazines but failed to develop and roll out a solution. But rather than hide the fact, it shared the challenges it had encountered and committed to a new target within a new timescale.

5. Share with intent. People want to see any progress that brands are making against targets. Publishing reports is important, but so is making them genuinely accessible and enjoyable to read. Brands could think differently about the channels through which they share reports or highlights, and the format they take.

In conclusion, separating sustainability from brand feels increasingly odd. As those two things continue to converge, so should the communications that talk about both.

Jo Arden is head of strategy at creative communications agency 23red.

THE NEXT GREEN THING

Dairy-free

Consumers are turning to soy, almond and coconut milk out of health and environmental concerns.

REMEMBER WHEN dairy consumption was demonised alongside meat for its impact on climate change? But in the past five years, the spotlight on climate-friendly consumption has shifted away from milk, butter and yoghurt – and rightly so, according to Sue Dibb, the co-ordinator of the Eating Better campaign. "Campaigns have tended to focus on reducing meat rather than dairy because meat has the highest greenhouse gas footprint and many people eat more than is good for health."

The UN Food and Agriculture Organisation (FAO) calculates that the livestock sector represents about 14.5% of all human-induced emissions. Beef and cattle milk production account for the majority of emissions within this sector, contributing 41% and 19% of total emissions respectively.

On a UK level, milk and dairy products make up about 15% of total food intake, which is in line with Food Standards Agency recommendations. The same can't be said for meat: 58% of men and 23% of women eat more meat than the government guideline of 70g red meat per day.

So the key issue with dairy is not consumption but reducing the impact of production. And the sector has responded well. Dairy is responsible for less than 2% of total UK emissions, according to Dairy UK, "principally because action has been taken to ensure that farms and production systems continue to improve and become more efficient".

> Ice-cream made from almond and coconut milk could make serious inroads into the company's emissions

In December, the industry group published an update of progress against its 2008 Dairy Roadmap. This showed that:

- Energy efficiency has improved by 16%
- More than three-quarters (78%) of dairy farmers are taking action to reduce greenhouse gases through, for example, improved feed quality and digestibility and manure management
- The target of 15% renewable energy uptake has been met.

Impressive stuff. But more capital investment is needed to hit 2020 targets to cut more carbon, produce more renewable energy and embrace low-carbon innovation. That won't be easy if the clouds over milk price linger on, as Mark Driscoll, the head of food at Forum for the Future, explained. "There are simple and scalable technology solutions out there that farmers and producers can invest in, which help to increase yield and reduce greenhouse gas emissions.

"However, central to this is ensuring that farmers and producers are being paid a fair price for milk production, in order to be able to make those investments. More needs to be done to ensure farmers are able to cover their costs, and also to incentivise their shift to more sustainable production," he adds.

Let's not forget the manufacturers. During the milk price crisis fingers have been pointed up the supply chain and back down again, with processors often caught in the middle. Businesses are being squeezed and this could mean that some look at alternative business models.

The ice-cream maker Ben & Jerry's, which is owned by Unilever, is about to launch a dairy-free range in the US (it'll be coming to the UK a little later). Mintel expert Alex Beckett said in a report last year that if any brand can make this work, it's Ben & Jerry's.

> Milk alternatives can have their own sustainability problems: 80% of the world's almond harvest comes from drought-stricken California

Made with a blend of coconut and almond milk, the product range could make serious inroads into the company's emissions – 40% of its footprint comes from dairy. But it's not just the carbon-conscious who will want a scoop – the dairy-free market grew by more than 15% in 2014, according to Mintel. What's more, 15% of UK consumers now avoid dairy or lactose.

Products such as soy milk and almond milk have been popular for years, said Driscoll. What has changed more recently is that these products are starting to be valued by consumers not simply as milk alternatives but as products that taste good, have high nutritional value and a lower emissions footprint.

But let's not forget the benefits of dairy, he added. "Milk and dairy products play an important role in a healthy, balanced diet, as they are good sources of protein, calcium and vitamins – and the fat contained in milk is also a beneficial source of calories for children."

There have been battles across Europe as the dairy sector defends its corner against the rise of plant-based alternatives. Dairy UK said that "these products sometimes use terminology that could be misleading or confusing to consumers by downplaying the health and nutritional benefits of dairy".

There's also an environmental consideration. Milk alternatives can have their own sustainability problems: 80% of the world's almond harvest comes from drought-stricken California, for instance. "We want to see food companies develop more climate-friendly products and menus," Dibb said. "In doing so, it's important [they] look at the whole sustainability and nutrition profile, not just at greenhouse gas emissions."

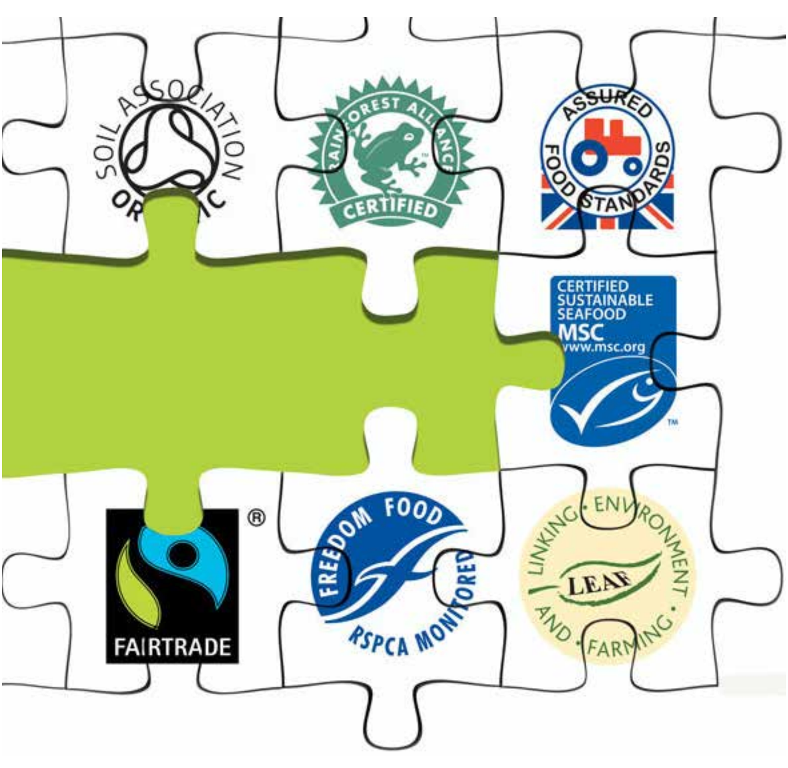
All five of the UK's major dairy processing companies have a programme to monitor and reduce carbon emissions. Slimming them down using dairy-free is an attractive option, but how these products fit into a truly sustainable diet is more complex.

Get on your marks

Foodservice needs to start demanding more from ethical certification schemes – and it might even be time for a cull, according to speakers at December's Footprint Forum. By Amy Fetzer.

ALL IS NOT rosy in the relationship between ethical marks and the foodservice sector. To date they have been easy bedfellows but now they need to challenge each other more. This was the key conclusion of December's Footprint Forum entitled: "How ethical is your supply chain … really?" supported by Tate & Lyle Sugars.

Marking a seismic shift away from the endless circular debate (there are too many marks; what do they mean to consumers; how do we know they are trustworthy) towards action, the forum concluded that the solution to many of these problems would be a natural outcome of demanding more of ethical marks.



Natural selection

This is because the more that is demanded from ethical marks, the more rigorous and effective they will be. Few would disagree that the marketplace needs to be slimmed down.

The foodservice sector, for its part, needs to demand more detail from the marks on what difference they are making on the ground, backed up by facts, figures and case studies. Only then can firms translate this information to customers so they understand better why certification is valuable and what it means.

In turn, ethical schemes must challenge businesses by raising the bar and setting higher standards for product certification, so lifting standards along the supply chain.

Change from within

As Geraldine Gilbert, Forum for the Future's principal sustainability adviser, pointed out: "No country has enough policy to fix problems in the supply chain." But with pressure coming from the Sustainable Development Goals, which include a zero-hunger target among many others related to food and farming within the next 15 years, the impetus is finally there to move the debate forward.

The industry must work hard to transform itself from within. There might be no typical consumer, but Gilbert said that "civil society is beginning to find its voice" to challenge businesses on issues from smog in south-east Asia caused by forests burnt for palm oil, to extreme weather in Britain being linked to climate change. And companies need to have their supply chains in order.

The Footprint Forum heard how certification schemes are working, but the marketplace needs slimming down.

Certification does work

Questions may linger over whether certification really does make things better, especially after the Rainforest Alliance (RA) hit the headlines last autumn when tea plantations in Assam, India, were found to be failing workers with abominable conditions, throwing the audit system into disrepute. Possibly in response to that, RA and the Sustainable Agriculture Network undertook detailed research recently to answer that very question.

The study found that certified farms apply more sustainable farm practices, and contribute to the protection of water sources and to healthier natural ecosystems – both on the farm and in the surrounding landscape. Sustainability practices also tend to improve over time and certification has tangible financial benefits for small-scale producers (but "not always in ways that are expected").

> The more that is demanded from ethical marks, the more rigorous and effective they will be. Few would disagree that the marketplace needs to be slimmed down

Certification schemes "represent the people who don't have a voice in parliament and media, we give a voice to producers and the rainforest", James Bennett, the head of brand and out of home at the Fairtrade Foundation, told the forum.

Bennett shared stories of how the Fairtrade premium was helping farmers to invest in bugs to act as natural pest controllers in place of chemicals. Spare truck parts are also being bought so that Jamaican sugar cane gets to the mill sooner, leading to increases of 25% in production. And while the premium could not prevent the floods in Malawi, which displaced 300,000 people, it did stop the houses built with Fairtrade premium bricks from washing away.

Ethical reach

"The focus of this Footprint Forum gets to the heart of one of the most relevant issues in international development," said Justine Greening, the secretary of state for international development. A truly ethical supply chain is one that is ethical all the way along, of course, and not just for developing-world products.

For smaller businesses, such as the handful of restaurants run by panellist Cyrus Todiwala, the chef patron of Café Spice Namaste, it's easy to build trust within local supply chains as you develop personal relationships with your suppliers. However, the size and scale of much of the foodservice industry means you "lose the ability to look producers in the eye to know how an animal has been kept or workers treated", he said.

Certification schemes are a way to bridge the gap between small and large scale, which global businesses, such as Fairtrade supporters Tate and Lyle Sugars, find invaluable.

But what happens when your product is not sugar, coffee, bananas or something else that fits into a certification scheme?

Unilever has committed to sourcing 100% of its agricultural raw materials sustainably by 2020, and it has developed its own sustainable agricultural standards, to be used in conjunction with Rainforest Alliance certification, to do so. This makes good business sense: for one, not all ingredients qualify to belong to certification schemes, and registration with several different schemes can be costly and time-consuming.

Others firms, such as BaxterStorey, try to be ethical across the whole of their supply chain by being aware of issues that affect suppliers wherever they are based, such as paying within 14 days. This can lead to benefits that are passed back up the supply chain.

The Fairtrade Foundation's James Bennett shared stories of how the premium was helping farmers invest in natural pest controllers rather than chemicals.

Centralised and localised in one

Panellist Mike Hanson, BaxterStorey's head of sustainable business, also highlighted that systems which combine centralised systems with local freedoms combine the benefits of both centralised and decentralised systems. This is because decentralised models allow firms to build personal relationships and a sense of community, while centralised buying can give them the power to manipulate the market.

An example is when BaxterStorey was struggling to find wholesalers who could supply British bacon. The caterer solved the problem by approaching two British pig farmers, explaining that if they moved into making bacon, BaxterStorey's buying power would give them a guaranteed route to market.

Some, such as drinks-maker Innocent, use marks where appropriate but tend to focus on creating close relationships and their own ethical standards that suppliers must comply with. While this practice is understandable, it can lead to producers and suppliers having to juggle different requirements from multiple clients. This can be an issue with ethical marks too, as growers and sellers may have to pay and do the admin for several different marks.

A universal standard

With consumers and businesses overwhelmed by the number of ethical marks, the forum inspired Hanson to call for an industry standard or accreditation, such as ISO, BSI or a Which?-style report. Going further and deeper than the global sustainability standards NGO ISEAL, the new standard could be used by businesses and consumers to cut through the noise and concentrate on the best and most relevant ethical marks.

This call may soon be answered. To prevent consumer confusion over the plethora of environmental credentials, and to prevent companies that wish to market products in different markets being required to apply to multiple schemes, the EU Commission has launched a Single Market for Green Products initiative.

The aim is to set measurement standards across a range of issues, including product environmental footprints and principles for communicating environmental performance. The last consultation for the food-related environmental performance pilots closed a few weeks ago, and it will be interesting to see how the recommendations affect ethical marks and reverberate up the supply chain.

With the Sustainable Development Goals providing a structure and a focus towards creating truly ethical supply chains, Bennett said: "We in the foodservice industry are able to make a difference. We have something we can collaborate on: agreed goals that are going to change the world." That is a hugely exciting prospect.

Everyone's cup of tea

Confusion over carrier bags shows that a universal charge on paper cups is the best way to cut waste. By Chris Sherrington.

ONE OF THE most remarkable features of the way in which the carrier bag charge was introduced in England was the government's insistence that small retailers be exempt. This was despite repeated requests from the Association of Convenience Stores, the National Federation of Retail Newsagents (NFRN) and the British Retail Consortium that all retailers be included.

On the very day that large stores in England began charging for bags, representatives of the NFRN met the resources minister, Rory Stewart, to again appeal for the decision to be reconsidered. The NFRN warned that excluding small shops would harm small businesses and the environment, and that while small shops could voluntarily charge for plastic bags, many would be reluctant to do so for fear of losing out to local competitors.

According to the NFRN, the exemption means that small business will be burdened by providing more carrier bags, free of charge, for fewer items. This will increase retailers' costs. The federation instead advocates a "universal rule" to remove any uncertainty and maximise the benefits.

To me, this is a clear example of where well-thought-through legislation – as seen in the charging schemes introduced in Wales, Scotland and Northern Ireland – can be of clear benefit to those to whom it is applied, as well as wider society. This is important given the common knee-jerk reaction from some quarters against proposed increases in red tape.

Wake up and smell the coffee

I was discussing this recently with a friend who runs a small independent coffee shop. He pointed out the parallels between carrier bags and single-use takeaway cups, and the potential for a universally applied charge to be financially appealing, particularly for smaller retailers.

While I have long advocated applying a charge to single-use takeaway cups (more information is available in our "A Clean Sweep" report, March 2015), this view has been largely formed from the perspective of seeking to prevent waste and reduce the wider negative impacts of litter. Similar in concept to carrier bag charges, money raised through such a charge would be directed to charitable causes. I must admit that I hadn't given much thought to the potential benefits to retailers, coffee shops and other foodservice outlets.

> The potential for a universally applied charge on disposable cups is financially appealing for smaller retailers

However, single-use takeaway cups are (to me at least) surprisingly expensive. My friend pays about 10p per cup and lid. Then he has to store them all inside the relatively cramped café, which makes life that bit more difficult for him and his colleagues. Finally he is more than a little concerned about the reputational issue of cups that have clearly come from his coffee shop (there aren't any others nearby) that end up being littered. Being a good neighbour he feels compelled to send his employees outside to pick up those that he can see.

He has thought about offering a discount for people, like me, who bring their own reusable cups. However, he feels the effect would be very limited because it's not something that customers – many of whom are just passing through – would necessarily expect to be on offer.

In short, he would strongly welcome a universally applied charge on single-use takeaway cups. It would save him money, prevent waste, reduce the amount of litter in the neighbourhood and raise funds for good causes. What's more, the benefits to small retailers of a universally applied charge would seem to be far greater than those of a voluntary approach under which some might choose not to charge for fear of losing custom.

I'm not sure how much it costs large retailers to buy cups and lids, but I would imagine they might be able to negotiate a much better deal than that available to my friend. If so, the savings to larger players per takeaway cup avoided would be smaller, so there might be less enthusiasm for such a charge. For smaller businesses, however, this would seem to be a particularly appealing prospect – something the government should consider as it sets about planning its new national litter strategy for England.

Chris Sherrington is principal consultant (environmental economics & ecosystem services) at Eunomia Research & Consulting.

Back of house

WRAP's Richard Swannell discusses the latest figures from the Hospitality and Foodservice Agreement on waste.

You've just published interim data on the Household and Foodservice Agreement on waste (HaFSA). What are the headline findings?

Richard Swannell: The interim results compare the figures reported for 2014 with the baseline figures. This shows a continued good collective performance by signatories against both the waste prevention, and waste management targets.

CO2 equivalent (CO2e) emissions are used to measure the impact of the waste prevention target, which looks to cut the amount of food and packaging waste in the sector by 5% by the end of 2015. The results show a steady rise towards this, reaching 3.6% against the baseline by the end of 2014.

But there is always some waste that isn't preventable; so the second target aims to increase recycling of packaging waste and the use of composting and anaerobic digestion to treat unavoidable food waste. The combined recycling rate rose from 45% to 57% at the end of year two, which represents an increase of 12 percentage points.

Are businesses well on track?

RS: The waste prevention target has seen a particularly strong performance again. The results show 30,000 tonnes of CO2e and 15,000 tonnes of waste have been avoided through hard work from the signatories. We estimate the cost savings from reducing food waste alone are around £3.6m.

Where is more work required?

RS: There is still some way to go to increase the overall rate of food and packaging waste recycled, sent to anaerobic digestion or composted to 70%. The waste management target is more challenging to achieve in the relatively short period of time due to the fact that in some instances waste management contracts will need to be amended or re-tendered to improve recycling rates. But we are hopeful it will be achieved and we've seen good progress to date.

Food waste redistribution has increased, but seems to be a very small amount. What can be done to increase this level?

RS: HaFSA signatories demonstrated a 47% rise in the amount of surplus food being redistributed compared with the baseline figure – growing from 360 to 528 tonnes is an excellent achievement.

It's great that more surplus food is being used to feed people, rather than going to landfill and there is certainly scope to do more. There are many organisations that can help support the donation of surplus food. For example, Plan Zheroes, who are supporters of HaFSA, will match your business with a suitable local charity able to receive your surplus food. We have also produced a set of guiding principles to help make this process simpler.

How many businesses have signed up to the commitment now? What proportion of the sector as a whole is this? Is it enough?

RS: At the launch of the HaFSA there were 70 signatories and supporters covering 14% of the UK sector, by food and drink sales. Overall signup has grown and there is strong support from across the sector. There are now nearly 230 leading signatories and supporters covering around 25% of the UK sector by food and drink sales including distribution.

We are delighted with the drive industry has shown in getting behind the HaFSA. Momentum has grown each year, helping drive real change on the ground. A lot of collaboration has taken place with signatories and supporters, for example developing online training resources for the Hospital Caterers Association and Chartered Institute of Environmental Health.

This year HaFSA will be replaced by Courtauld 2025. What is it?

RS: The Courtauld Commitment 2025 is an ambitious 10-year voluntary agreement that brings together a wide range of organisations involved in the food system. The aim is to make food and drink production and consumption more sustainable and build on the work of the Product Sustainability Forum; and the successes of both the current Courtauld Commitment (for supermarkets and food manufacturers) and HaFSA.

By working together and setting ambitious goals we can drive innovation and collective change. There's a role for everyone within the food system and a range of partners will play a part – from manufacturers, retailers to local authorities and community groups. We hope to see many hospitality and foodservice businesses continue to build on the work on the HaFSA and join the Courtauld Commitment 2025 to help build a stronger and thriving food and drink sector, based on sustainable practices. The Courtauld Commitment 2025 launches in March 2016.

Ideas from across the ocean

As the UK foodservice and retail sectors get set to join forces to tackle food waste under the Courtauld 2025 commitment, Meghan Stasz and Laura Abshire discuss how similar cross-sector collaboration has worked in the US.

FOOD WASTE has steadily climbed over the years to a top concern for both consumers and corporations – and companies are doing something about it. Three trade associations spanning the retail, manufacturing and foodservice sectors of the US food industry got together in 2011 to address this challenge and founded an alliance to better understand and combat food waste.

The Food Waste Reduction Alliance (FWRA) was formed from an understanding of the size of the food waste problem in the country and globally, along with a recognition that no company or sector could solve this problem alone. It's through collaboration, partnership and best practice sharing that we've seen the most progress and innovation.

FWRA was created with three goals: reduce food waste generated; increase food donated to those in need; and recycle unavoidable food waste to uses like anaerobic digestion or compost, keeping it out of landfills. Food waste is a "triple bottom line" issue; by solving it we are able to make a positive impact economically, socially and environmentally.

The group's work is divided into four subgroups: assessment, best practice, communications and policy. All of the approximately 30 companies in FWRA (about 10 per industry segment) participate in one or more of these subcommittees. In addition, a group of 12 strategic advisers – individuals with specific expertise in one of the three FWRA goals or the subcommittees – provide thought leadership.

> It's through collaboration, partnership and best practice sharing that we've seen the most progress and innovation

FWRA's research and best practices guides have helped advance food waste data and solutions within and across industries.

The landmark assessments of sources and causes of food waste and food donation in the manufacturing, wholesale, retail and restaurant industries shows how each sector is finding ways to minimise food waste generation, increase food donation and recycle waste.

For instance, we have found that more than 40% of wasted food from grocery stores is donated or recycled and manufacturers donate or recycle nearly 95% of food waste, of which more than 85% is repurposed for animal feed. Our research also shows that 75% of restaurants regularly track their food waste and more than 70% of their food waste is cooking oil recycling.

The second Best Practices Guide, released in November, highlights case studies from a range of companies sharing insight on how to get started on a food waste or donation programme or how to take existing programmes to the next level. The guide is written by and for company experts and provides unique and practical real-world solutions in a range of situations. Sometimes a strong partnership is all it takes to inspire innovation.

> Our research also shows that 75% of restaurants regularly track their food waste

Examples featured include Darden Restaurants' experience setting up a successful food donation programme, even in a busy restaurant environment; the Campbell Soup Company's partnership with a local food bank to turn excess peaches in the state of New Jersey into peach salsa for those in need; and the supermarket chain Wegmans' robust in-store composting programme that has benefited from very high employee engagement. Not only do these initiatives raise awareness about the issue, but the solutions drive down waste in the food system.

As we look to the next few years of FWRA and at the food waste issue overall, there is a lot the US and UK can learn from each other. For example, the UK's WRAP programme is well known to be best-in-class regarding consumer education – a critical piece of any successful food waste reduction effort.

On the other side, FWRA's cross-industry collaboration, especially best practice, is a real strength to highlight. In addition, unique to the US is the Bill Emerson Good Samaritan Act, which protects company food donations from lawsuits. Despite protections like this, liability concerns as well as supply chain challenges and barriers to food donation still exist.

All countries should do what they can to strengthen support for food donation to those in need, and increase awareness of the issue of food waste.

Meghan Stasz (left) **is senior director (sustainability) at the Grocery Manufacturers Association.**

Laura Abshire (right) **is director (sustainability policy and government affairs) at the National Restaurant Association.**

Briefing: Food Information Regulations one year on

Caterers have dealt well with new rules on allergen information – but there's more work ahead to tackle a serious and growing problem. By Barry Moore.

Caterers are doing a decent job …

Broadly the contract catering industry is doing a decent good job in allergen management. This is mainly because most of these businesses have robust health and safety (H&S) departments and clients are also demanding, as part of their own H&S policy, that it's written into the contract with penalties or termination for material breaches. As a result, contractors have a clearly defined duty of care to adhere to.

… but they could go further

The difference in just abiding by the rules and doing it well by going the extra mile is rooted in culture and the respective suppliers' commitment to great food. Food manufacturers and retailers have rigid specifications, follow strict controls with sophisticated testing equipment and have menus and ingredients that rarely change. There is also good practice on show within the quality restaurant chain operators such as Pizza Express and Byron Hamburgers where detailed allergy checklists are provided upon request and teams are well versed; again these operators rarely change their menu and specification. I eat with confidence at these establishments with my daughter, who has a severe nut allergy.

It's not easy though

The rest of the foodservice industry has a risk inherent in its operating model. Every day, fresh food is purchased, prepared, stored and served in an environment where cross-contamination has a much higher risk of occurring. Also, and importantly, menus and specifications will change daily – the daily special, for example.

And risks remain

The issues of shortages of skilled chefs, varying capabilities of operators and often tough commercial conditions are well documented. So the risk of a short cut or lack of training about allergens means that a customer who is severely allergic must always enter any establishment (even a regular one) with a heightened alertness to risk. So it is important to note that despite its critics, there are lots of positives from the changes to Food Information Regulation (FIR) and awareness has increased.

Collaborative approach to allergens

As an industry we need to do more by supporting every level of the food chain to create a sustainable model that ensures constant reduction of incidents, some of which have been fatal. The Anaphylaxis Campaign has recently set up a corporate food panel, with representatives from every area of the food industry, to help advise the charity on how it develops its tools and resources to support operators tackling this issue.

Be prepared

At Gather & Gather we prepared rigorously for the FIR law changes. From our board directors to kitchen and restaurant teams, we initiated an allergen education and awareness programme. We made it very clear to customers how to contact us to discuss their food allergies and any concerns they may have. We now have allergen management ingrained into our everyday operating standards – from daily menu briefings to regular audits. Our requirement to provide comprehensive allergen information has flowed down to our supply chain, where we need reassurances on all products that we source. That's what we mean by the industry working together – we all have a duty of care.

Don't fear the regulations

Our menu range has not changed significantly and we have not changed how our food is prepared – other than to minimise the risks of cross-contamination. What we have done is to instill into our culture the daily requirement to detail any freshly made item and have the allergen checklist completed and on hand with our teams in every outlet. We cannot guarantee no cross-contamination. However, we do a very good job in reassuring customers what allergens are in a dish, what cooking techniques were used and what allergens are in the kitchen environment. This allows them to make an informed decision. When I eat out with my daughter this is the key information that we are looking for.

Interest in allergens will only increase

There is definitely an increase in the prevalence of people with allergies. Mintel research shows that 39% of the population say they avoid at least one food, while a survey of 5,000 shoppers published in January by BBC Good Food suggested that 17% believe they have an allergy or intolerance (though only half have been diagnosed). As a result, we are seeing more requests from customers looking for clarification that an allergen is not present. However, we are also seeing more customers with a dietary requirement, which can range from intolerances to fad diets where people are avoiding certain food types, sometimes on a short-term basis.

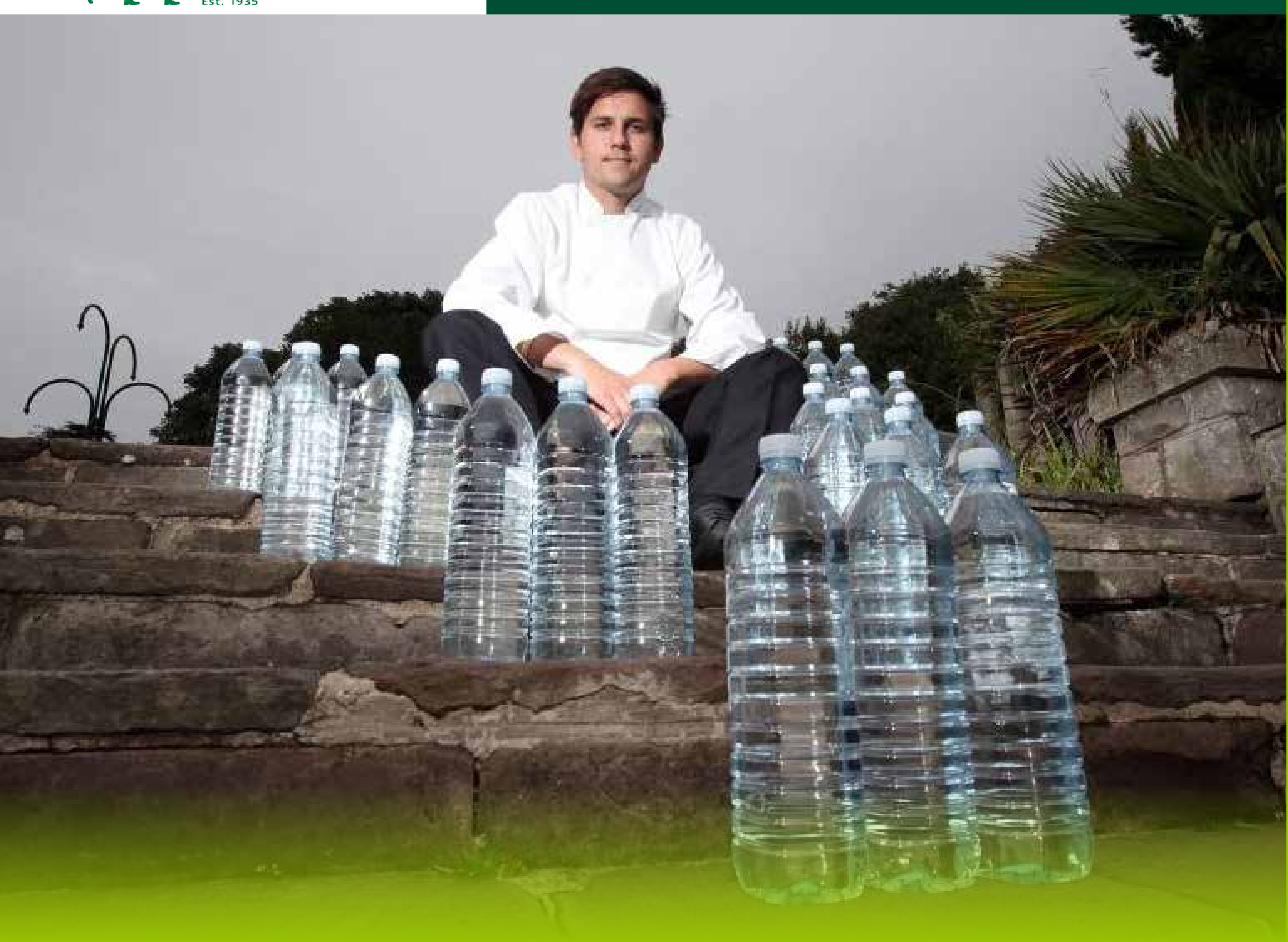
Fad diet or real intolerance?

This brings its own challenges, as catering operators need to clearly distinguish between a customer with a life-threatening allergy to dairy and one who just happens to be dieting and avoiding milk in their coffee. Both need managing, and understanding what is in the food we serve is a basic requirement in any good food operation, allergy or not. Within our corporate catering operations, customers with medically confirmed allergies will generally engage with our teams when they require clarification on allergens in specific products.

Resuming normal service

We get to know our affected customers, and look to make their dining experience as normal as possible – no one wants to feel like they have a "special need". As a result we have an open dialogue with detailed allergen information available. And that is the key to managing allergens: constant vigilance and communication. The response to allergen management issues is a vital consideration for all foodservice providers. We need to get it right as lives are at stake.

Barry Moore is performance director at Gather & Gather and a trustee of the Anaphylaxis Campaign.



The London Linen Group and M&S join forces for recycling initiative

THE LONDON LINEN GROUP have an excellent proven track record in sustainability. They already possess impressive accolades such as being the UK's most environmentally friendly laundry service, the winner of two Footprint Awards (Sustainable Supplier and Sustainable Use of Natural Resources), Approved Supplier to the Sustainable Restaurant Association and Winner of the inaugural ACE Sustains Corporate Award.

Among many other notable initiatives, they were the first linen hire and laundry company to introduce an EkoChef Range of garments – chefs jackets, trousers and aprons made from recycled plastic bottles and waste polyester fibre. These items brought with them massive environmental benefits such as 80% less energy used in production, a reduction in greenhouse emissions and a huge saving on landfill.

They pledged to continuously work hard to make improvements to their sustainability, to develop new procedures and processes to further enhance their credentials and to strive for further environmental innovations. Their most recent initiative certainly does not disappoint and is right up there with their previous achievements. It is another first for both the laundry and hospitality industries, and they have already received recognition within the industry for it. Furthermore the interest has been so great that they are about to appear on a BBC documentary regarding the innovation.

The group are now proud to have a Closed Loop Supply Chain. They now recycle all of their textile waste at one location regardless of its composition.

To further enhance this project they have partnered with high street giant Marks & Spencer in the first ever combined closed loop recycled relationship within the industry.

The two companies blend together brilliantly, sharing very similar ethics and long term objectives. With M&S' dynamic 'Plan A' and London Linen's strong sustainable credentials they work very well together - the relationship is mutually exclusive, highly supportive and hugely beneficial for both parties.

Waste products from London Linen are recycled into the 'Bag for Life Challenge' for M&S. 45,000 of these bags are available now across 728 M&S stores nationwide.

It was a carefully thought out venture that took considerable time and substantial effort. The London Linen Group wished to recycle their end of life waste products and they needed it to be commercially sensible. The result was not only a sound environmental outcome but one which offered over £90,000 contribution to Unicef.

Alongside this there are a variety of challenges within the laundry sector. Textile recycling for cotton has a market value; however polycotton and polyester products that are increasingly used within the restaurant sector do not. Due to some textiles having little commercial recycled value due diligence is difficult to manage, meaning that customers' brands can potentially be compromised. Due to the sector they operate within and the quality they strive for, waste is a natural and cumbersome issue to manage sustainably. This is the same for all organisations within the industry. London Linen were determined to develop a solution to these dilemmas, whilst achieving all their environmental objectives.

Bryn Sutton, Group National Sales Director and Co-ordinator of this Scheme stated "We are delighted with how this project has developed. We have met our objectives and exceeded our own expectations through hard work from everyone involved. It was great working with such a formidable partner as M&S – we complimented each other very well and were both able to benefit hugely from our collaboration; being able to support Unicef was the icing on the cake".

The group are pleased to have created a fully secured end of life supply chain for their customers' branded garments. They have done this at no additional cost to their clients and increased donations to a very worthy cause, which they considered to be a crucial requirement throughout the course of planning. The process is completely sustainable, the first of its kind within the sector and eco-friendly at its core. They are also able to raise substantial funds for charity which was another important aim.

This first to market solution can now be replicated industry wide, creating a robust model for closed loop textile recycling. The group have once again attained a break-through innovation and it will continue with further phases which include the development of new products to the group's existing range. They also hope to do a variety of further first to market initiatives similar to this in the future.

‘Healthy’ cereal bars not so healthy

THE UK has higher rates of obesity and overweight people than anywhere in Western Europe except for Iceland and Malta, with 67% of men and 57% of women either overweight or obese*.

This obesity crisis, and sugar associated illnesses such as diabetes, heart disease, tooth decay and cancer, coupled with the high profile anti sugar lobby (and threats of a ‘sugar tax’ from NHS England) presents huge opportunities for manufacturers to develop new products to market under a ‘healthy’ banner. Indeed there has been a tsunami of healthy and functional foods and drinks hitting the market over recent years.

Take cereal bars for example. Mintel estimate that the cereal and snack bar market is worth in excess of £479 million so there is plenty of incentive to create a ‘healthy’ cereal bar as a snack or easy alternative to breakfast cereal.

But just how healthy are they really?

Check the ingredients of those cereal and nut bars that consumers might believe to be ‘healthy’ and you’ll find that some contain frightening amounts of sugar – far more than a chocolate bar in some cases.

Among the popular brands the worst offenders contain the equivalent of up to 5 teaspoons of sugar, while many contain at least three**. As a comparison, a two-finger Kit Kat bar contains around 2.5 teaspoons.

Many bars are also high in fat and saturated fat with some bars containing up to a third fat.

So while consumers would do well to scrutinise labelling closely, why don’t manufactures simply create more genuinely healthy products?

Well it’s tricky. Many manufacturers, particularly the large ones, may lack the will or ability to dedicate the time and investment required to innovate products like these, that fulfil genuinely healthy criteria.

Furthermore, it’s one thing to claim to offer a healthy product but you have to get people to like it, buy it and keep buying it, and there lies the challenge. Sugar and fat make food taste nicer; some people believe that anything that is healthy or ‘good for you’ must automatically be lacking in taste. So, in order to gain the largest possible market share, some manufactures sacrifice the health credentials of their cereal bars on the altar of flavour and a good mouth feel.

So when it comes to so-called healthy cereal bars it looks like a case of ‘buyer beware’ – until now.

After a good deal of time, trial and error and investment, my company has finally launched what is the first all green traffic light cereal bar on the UK market. We have worked for years to refine our production techniques and unique recipes; our objective was to produce a product that not only meets all the green traffic light criteria, but also tastes good and provides a really satisfying eating experience. We use sucralose for sweetness and we add Konjac, a natural root extract, to all our products. Konjac is low in calories and high in fibre, and swells in the stomach when taken with water so as to keep you feeling fuller for longer. In addition, the Konjac provides a pleasant chewy quality to the bar and adds approximately one quarter of the recommended daily allowance of fibre.

Our experience in the development of the cereal bar has been put to good use in creating a range of new products, including porridge and noodles, which will also meet the ‘all green traffic light’ criteria.

As a former chef, and an Italian too, food and great flavour go hand in hand for me. The secret to producing commercially successful, but genuinely healthy products is to offer foods that first and foremost people want to eat because they enjoy them, with the added bonus that they are healthy, and keep them feeling fuller for longer.

** The Lancet*

*** One level teaspoon equates to approximately 4 grams of sugar*

Franco Beer is Managing Director of Slim-Be Ltd


Coconut shy?
Don't be.
new
fresh
taste
innocent
coconut
water
tastes good, does good