# Flying food

Responsible retail in the face of uncertainty



Tom MacMillan
Lucy Alston
Ruth Segal
Paul Steedman



# Flying food

Responsible retail in the face of uncertainty

Printed on chlorine free 100% post-consumer recycled paper.

Published May 2008

ISBN 978-0-9549218-2-8



Food Ethics Council 39-41 Surrey Street Brighton BN1 3PB United Kingdom

+44 1273 766654

www.foodethicscouncil.org info@foodethicscouncil.org

Cover image: copyright istockphoto.com/Joao Virissimo

# Summary

Flying food: responsible retail in the face of uncertainty

The debate over the environmental costs and development benefits of air freighting food has matured in the months since the issue first hit the headlines. Retailers will see civil society groups judge their performance on this issue against increasingly clear and challenging benchmarks. This report describes what we think those benchmarks will be, based on a workshop with environment and development groups who have shaped the public debate on air freight, and who will continue to do so.

The credibility of action by a supermarket to reduce emissions from air freight depends on the retailer:

- Having an overarching environmental strategy that focuses effort on greater greenhouse gas hotspots than air freight.
- Explaining clearly how they are 'partners for development', for example by building supportive, longterm relationships with suppliers.
- Tackling the aspects of air freight that are most widely agreed to be a problem, particularly by improved planning in order to increase flight efficiency and limit emergency top-up.
- Actively supporting government intervention to reduce market barriers to sustainable behaviour.

# Contents

Introduction	7
Environmental strategy	9
Partnership for development	11
Rules of thumb	13
Policy gaps	15
Notes	17
About the Food Ethics Council	19
Acknowledgements	20

## Introduction

Air freighting food raises its carbon footprint, and concern over climate change has prompted calls to reduce the practice of flying food to fill supermarket shelves. However, that could harm communities in poor countries who depend on horticultural exports.

Civil society groups, with a strong mandate on environment and development issues, have led public debate in the UK on this dilemma. Different groups have issued contrasting advice. These differences have been widely reported.

The major food retailers make supply chain decisions that affect how much food is air freighted. As well as immediate business factors, such as continuity of supply and the cost of air freight, these decisions are shaped by the supermarkets' strategies on environmental and social issues. With mixed messages from civil society, retail responses have ranged from labelling air freighted produce to defending its development benefits.

Retailers and civil society groups share the view that a more consistent approach to air freight could better serve the environment, development and consumers. As the 'food miles' versus 'fair miles' debate has matured, such an approach is emerging, despite ongoing differences in perspective.

Retailers will see civil society groups judge their performance on this issue against increasingly clear and challenging benchmarks. This report describes what we think those benchmarks will look like. It is based on a workshop with civil society groups who have shaped the public debate, and who will continue to do so. Whereas the public face of this debate has been polarised, our workshop identified important areas of agreement. The process, reported elsewhere, was designed to pinpoint shared aims that could form a basis for more consistent practical guidance to retailers. This report also draws on meetings with five major retailers. It summarises what we learnt, in order to provide a catalyst for dialogue, analysis and action.

# Environmental strategy

Aviation is highly greenhouse gas (GHG) intensive and dominates all other life cycle impacts for most air freighted food. Although less than 1% of all food is known to be carried by air, it accounts for 11% of total food transport CO2. Data gaps mean the true figure could be higher.

Yet air freighted food makes a much smaller contribution to total UK emissions than other aspects of farming and food. Compared with the 0.3% of total UK emissions associated with food air freight, fresh fruit and vegetables in total account for 2.5%, refrigeration for 3.5%, alcoholic drinks for 1.5%, and meat and dairy for 8%.5

Civil society groups are alert to the risk that retailers' initiatives on air freight divert effort from tackling larger sources of GHG emissions. If retailers are targeting emissions from air freight they must also address – with at least as much vigour – other areas of the food system that are bigger GHG hotspots. The credibility of any action to reduce emissions from air freight depends on retailers having an overarching environmental strategy that explicitly:

 Explains how they will reduce total supply chain emissions proportionately in line with current scientific advice on the GHG cuts required to prevent dangerous climate change. How will they be good corporate citizens in a very low carbon economy, with emissions cut 80% by 2050?

- Focuses efforts to cut emissions on real GHG hotspots.
   Where further evidence is needed to support such action, how will they gather that evidence and by what deadlines?
- Addresses wider environmental issues besides climate change, including water scarcity, biodiversity and waste.
- Seeks to meet customers' expectations that their food is sustainable, while challenging unsustainable consumption practices. How will retailers take their customers with them as they make the step changes necessary to address major environmental problems?
- States what they need government to do to reduce market barriers to sustainable behaviour. Where competitive pressures prevent them from improving environmental performance, can they prove they are committed to tackling that problem? Are they lobbying for emissions pricing in agricultural supply chains, for example?

# Partnership for development

Efforts to reduce the air freight of food have been controversial because flights have opened up lucrative export markets for some producers in developing countries. In Sub-Saharan Africa, for example, over 100,000 rural people are employed in the fresh fruit and vegetable export sector and an estimated 100,000-120,000 more jobs exist in support services. There may be further 'spillover' benefits, in terms of technology, food safety, improved access to inputs, credit and extension services. However, critics question the development benefits of export horticulture, arguing that it is an extractive industry, diverting resources from the global South to the North, and threatens local food security.

Air freight has thrown wider debates about power, poverty, trade and justice, into sharp relief. As such, it has increased public scrutiny of claims about poverty reduction and development, and of the social consequences of environmental initiatives. Retailers can expect increasing pressure from across civil society to explain how they are 'partners for development', with particular reference to:

- Measurable indicators of poverty reduction in communities that supply their products.
- Bearing the costs of external accreditation for high labour standards in their own and suppliers' operations.

- Ensuring that any other social, environmental or animal welfare standards also have clear mechanisms in place to prevent the audit burden becoming part of the cost-price squeeze on suppliers or a barrier to entry.
- Analysis of value chains to demonstrate what proportion of the consumer purchase price of major products is taken by producers, and how that value is apportioned between owners and workers.
- Building supportive, long-term relationships with suppliers, recognising that this also benefits the retailer by increasing the resilience of their supply chains to economic and environmental risks.
- Respecting the duties retailers acquire in long-term sourcing from vulnerable communities to ensure a 'soft landing' in the event the relationship ends.
- How the retailers actively seek to avoid suppliers becoming 'locked in' to unsustainable supply chains.
   For example, will air freight be particularly exposed to high 'post peak' oil costs?
- How any aid that they provide complies with best practice and forms part of their broader corporate approach to being a partner for development.
- How their development commitments complement their environmental strategy, including their approach to GHG allocations and 'ecological debt'.8

## Rules of thumb

The controversy over air freight is maturing into a broader set of benchmarks on environmental performance and international development. By taking a strategic approach to these, as set out in the previous two sections, retailers can address many of the concerns raised by air freight.

However, these concerns are unlikely to disappear completely. In part this is because, being highly GHG intensive, aviation is an iconic issue in the fight against climate change. It is also, crucially, because air freight is expanding dramatically. Food air miles rose 11% in 2005-6 9 and industry projections predict freight traffic will increase by 6.1% per year over the next 20 years. 10

In this context, retailers want guidance on which forms of air freight are 'better' or 'worse' for the environment and development. Whether or not products are food, perishable or luxuries, or which country they come from, cannot give a simple answer to this question. However, the following rules of thumb may be helpful:

Action to reduce air freight is more controversial than measures that limit the further growth of air freight.

- Flying food more efficiently is a priority. While passenger planes are often more efficient than dedicated freight aircraft, insisting that produce flies in the bellyhold of passenger jets could lead to carriers flying more passenger routes with fewer full seats. There is no shortcut for ensuring efficient planes are used, and that routes and loading are planned for greatest efficiency. Retailers need to work with their supply chain partners to achieve this.
- 'Emergency' top-ups, used to ensure continuity of supply for relatively brief periods of shortage or high demand, are a priority target for any credible action by retailers to limit air freight. Top-ups are associated with short lead times that can drive exploitative working practices. The high cost of top-ups is already a disincentive, so addressing this issue may require retailers to change their supply practices, for example building more supportive relationships with backup suppliers, and working with their customers to challenge expectations that many fresh products will be constantly available.
- 'Carbon hypocrisy', where air freighted produce is replaced with more GHG-intensive substitutes, represents a high reputational risk.

# Policy gaps

This report has focused on what retailers should do about air freight and about the wider issues it raises. Civil society groups will increasingly expect retailers to take a strategic approach to both the environment and development - 'cherry-picking' iconic issues will represent a growing reputational risk. Air freight should be addressed within a committed drive towards 'sustainable sourcing', defined by Food Industry Sustainability Strategy Champions' Group on Ethical Trade to include human rights, poverty reduction and a 'one planet' approach to the environment. 11

Major retailers exert a powerful influence on the food system, including its implications for the environment and international development. While they can achieve significant progress, as a group and unilaterally, addressing key gaps in policy could enable them to achieve more. To live up to their commitments to sustainable development, retailers need to demonstrate that they are actively and transparently working to ensure government creates the policies, penalties and incentives to drive better environmental and ethical performance.

Priorities for policy intervention by the UK government, domestically and in the international arena, include:

- Tackling the environmental costs of aviation. The UK government has stated that "It is vital that we make rapid progress towards a situation where air transport has to pay its full environmental costs". 12 Including emissions from aviation in the Climate Change Bill would help to achieve this.
- Future-proofing infrastructure investment. Government and international investment in trade-related infrastructure, including dedicated air freight facilities, should be tested for its resilience to high oil prices and to stringent policies to reduce GHG emissions.
- Creating a framework for driving down GHG emissions from agriculture. This might take the form of a pricing mechanism.
- Reducing barriers to trade on processed products from developing countries. As the United Nations Conference on Trade and Development has put it, to reduce poverty, policies "must be rooted in a development-driven approach to trade rather than a trade-driven approach to development".13

### Notes

- For example: **ODI** (2007) *Is the time ripe for a good for development* product label? ODI Opinion 88. Online at http://www.odi.org. uk/publications/opinions/88 Good for Development label oct07.pdf(accessed 6/5/08). Soil Association (2007) Soil Association to ensure air freighted organic food benefits poor farmers - and challenges UK Government to do same for all air freighted produce. Press release. Online at http://www.soilassociation. org/web/sa/saweb.nsf/848d689047cb466780256a6b00298980 /3a1c3d1cc0d10bff8025737f002d919b!OpenDocument.
- <sup>2</sup> **Alston, L. & Segal, R**. (2008) *Flying food: workshop report*. May. Food Ethics Council, Brighton.
- **Garnett, T.** (2008) Food and climate change: the significance of air freight. Presentation given at Food Ethics Council workshop on 4/4/08, London.
- **Garnett, T.** (2008) Food and climate change: the significance of air freight. Presentation given at Food Ethics Council workshop on 4/4/08, London.
- **Garnett, T.** (2008) Food and climate change: the significance of air freight. Presentation given at Food Ethics Council workshop on 4/4/08, London. **Garnett, T.** (2007) Food and climate change: the world on a plate. Online at http://www.fcrn.org.uk/fcrnEvents/

- presentations/PDFs/FCRN%20generic%20ppt.ppt#51.
- 6 **WWF, ippr, RSPB** (2007) 80% challenge: delivering a low-carbon *UK*. Online at http://www.ippr.org.uk/publicationsandreports/publication.asp?id=573.
- <sup>7</sup> **Vorley, B.** (2008) *Air freight and Africa: trading off environment and development?* Presentation given at Food Ethics Council workshop on 4/4/08, London.
- <sup>8</sup> To stabilise levels of atmospheric CO2, global per capita carbon emissions need to be a maximum of 2.2 T per annum, decreasing to 0.32 T by 2030. Current per capita emissions in Kenya are 0.2T; in the UK they are 9.2 T. The developed world is thus in major carbon debt to Least Developed Countries (LDCs). Reference: **Vorley, B.** (2008) Air freight and Africa: trading off environment and development? Presentation given at Food Ethics Council workshop on 4/4/08, London.
- <sup>9</sup> Defra (2007) Food transport indicators to 2006 (revised): experimental statistics. Online at http://statistics.defra.gov.uk/ esg/statnot/FoodTransportIndicatorsSN2007.pdf.
- Boeing (2006) World air cargo forecast 2006-2007: growth detail. Online at http://www.boeing.com/commercial/cargo/01\_06. html (accessed 6/5/08).
- 11 **Defra** (2007) Towards one planet food: final submission from the Food Industry Sustainability Strategy Champions' Group on Ethical Trade. Defra, London. Online at http://www.defra.gov.uk/farm/policy/sustain/fiss/pdf/report-ethical-trade-may2007.pdf.
- 12 **DFID** (2008) Joint DFID Defra position on food miles. DFID, London. Online at http://www.dfid.gov.uk/pubs/files/DFID-Defra-Food-Miles-Position.pdf.
- 13 **UNCTAD** (2004) The Least Developed Countries report 2004: : linking international trade with poverty reduction. United Nations Conference on Trade and Development, Geneva. On-line at http://www.unctad.org/Templates/webflyer.asp?docid=4810&i ntItemID=3074&lang=1&mode=downloads.

### About Food Ethics Council

The Food Ethics Council is the independent advisory body on the ethics of food and farming. We:

- Help guide the way through difficult issues by analysing problems, challenging accepted opinion and creating a space for dialogue; and
- Build tools to put ethics at the heart of decisions about food in business, policy and civil society.

Our Council members include bioethicists and moral philosophers, farmers and food industry executives, scientists and sociologists, academics and authors.

Our work has covered topics including the personalisation of public health, the control of food research, the use of veterinary drugs and the growing challenge of water scarcity.

Find out more about our work, including the members of the Council, our exclusive Business Forum, and our must-read magazine, Food Ethics, on our website at www.foodethicscouncil.org.

#### Members of the Food Ethics Council:

Ms Helen Browning OBE (Chair) Prof Ruth Chadwick Dr Charlie Clutterbuck Mr David Croft Dr Elizabeth Dowler Ms Julia Hailes MBE Ms Jeanette Longfield

Prof Ben Mepham Prof Kevin Morgan Dr Kate Rawles **Prof Christopher Ritson** Dr Doris Schroeder Mr Geoff Tansev Mr John Verrall

## Acknowledgements

We are very grateful to all who attended our civil society workshop. In particular, we would like to thank our speakers at the workshop – Rose Bridger (independent), Tara Garnett (Food Climate Research Network), Bill Vorley (International Institute for Environment and Development) and Ken Hayes (Soil Association) – who set the tone for a very productive exchange of ideas. They brought to the discussion a considerable knowledge of aviation and its implications for the environment and development. The views expressed in this report are solely those of the authors.

This project was made possible by funding from the Network for Social Change.



# Other relevant publications

Of our many publications, most of which are freely available via our website (www.foodethicscouncil.org), the following are the most relevant to this report.

#### Meeting reports:

- Flying food: workshop report (May 2008)
- 'Food miles' or 'food minutes': is sustainability all in the timing? (July 2007)

#### Research reports:

Road pricing: could it promote sustainable food systems? (December 2006)

#### Editions of Food Ethics magazine:

- Meat: facing the dilemmas (December 2007)
- Big retail: supermarkets want green, fair and healthy. Can they? (June 2007)
- Working for food: suffering and success stories behind the dinner on our plates (March 2007)

The debate over the environmental costs and development benefits of air freighting food has matured in the months since the issue first hit the headlines.

Retailers will see civil society groups judge their performance on this issue against increasingly clear and challenging benchmarks.

This report describes what we think those benchmarks will be, based on a workshop with environment and development groups who have shaped the public debate on air freight, and who will continue to do so.



info@foodethicscouncil.org ISBN 978-0-9549218-2-8