

Sustainability in the marketplace

UCD Earth Institute – NESCC Workshop

16th May 2012

Padraig Brennan

Outline

- ✓ **International Context**
- ✓ **Sustainability in the Marketplace**
- ✓ **Opportunities for Ireland**

The Economist
 NOVEMBER 27TH - DECEMBER 3RD 2010
 Economist.com

The euro crisis, continued
 Attacking the Fed
 What's up with North Korea
 Germany's model Mittel-management
 Saving Fiat from Italy

How to live with climate change



The Economist
 NOVEMBER 21ST - 27TH 2009
 Economist.com

Dealing with America's deficit
 Obama's timid trip to Asia
 Remote control for your car
 Peter Drucker, still king of the gurus
 The scientist who saw Nessie

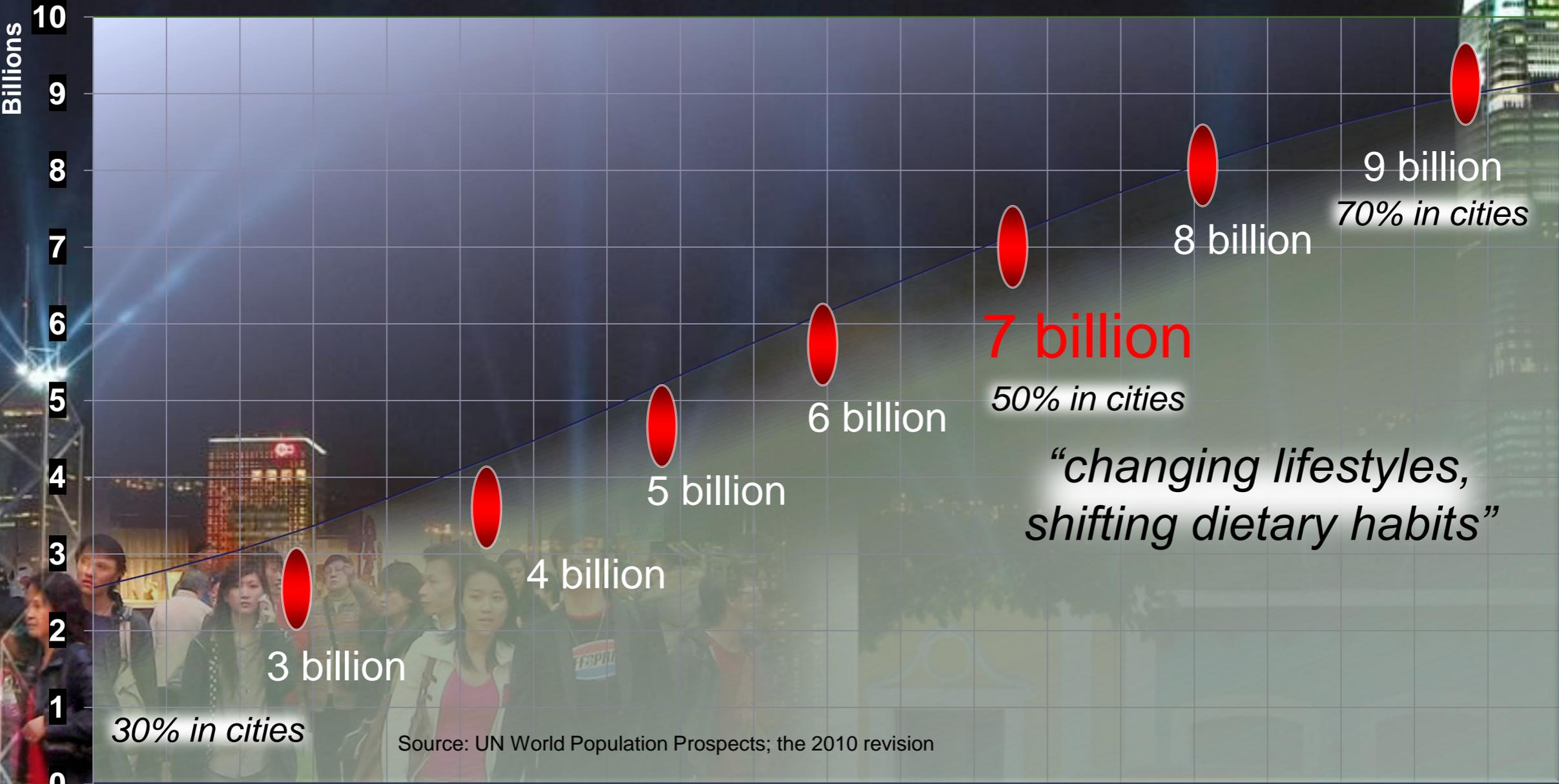
How to feed the world



Growing the success of Irish food & horticulture

Bord Bia
 Irish Food Board

World Population 1950 - 2050

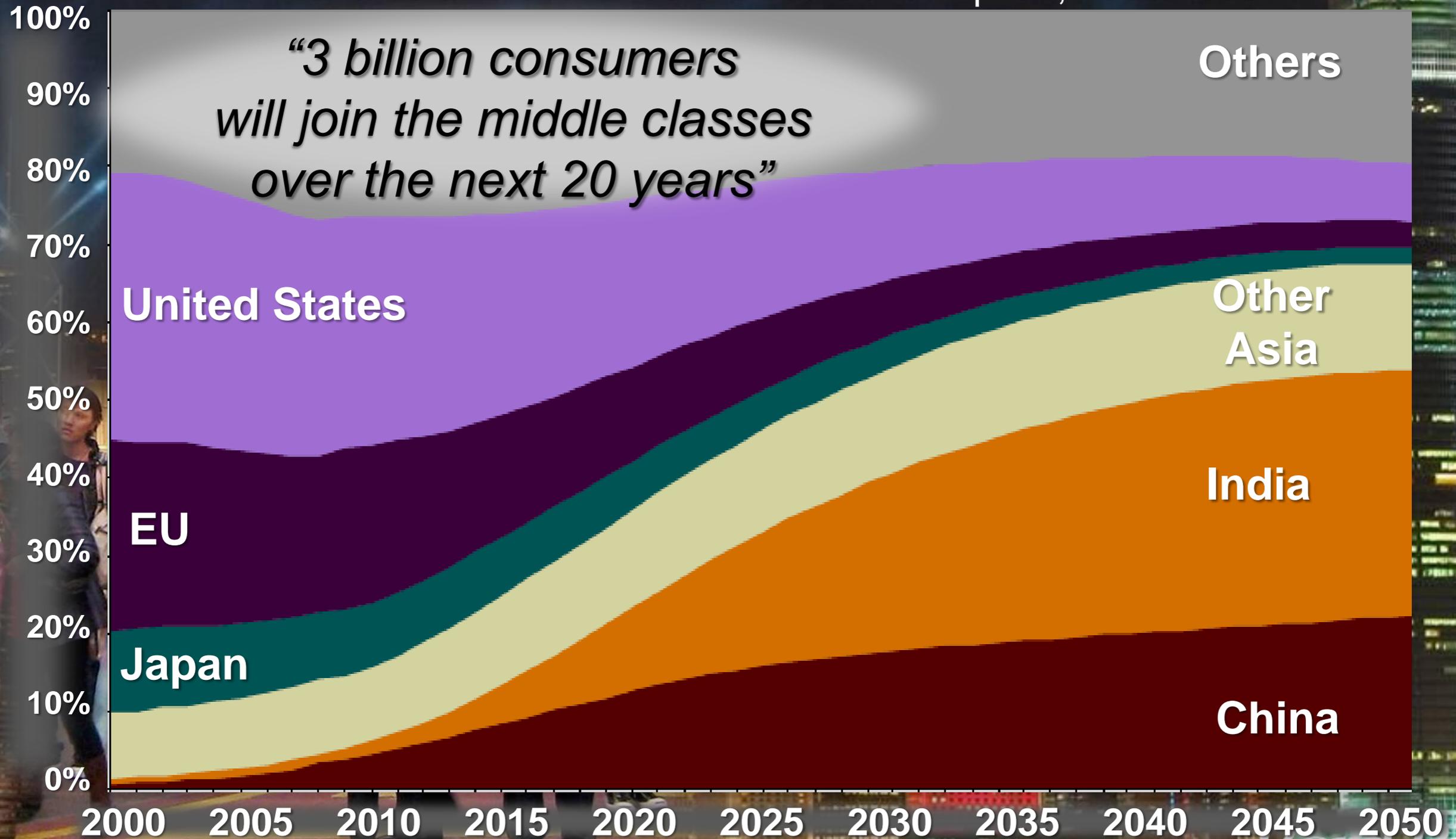


Source: UN World Population Prospects; the 2010 revision

“global car fleet to double to 1.7 bn cars by 2030”

India and China Make Waves in the Global Middle Class

Shares of Global Middle Class Consumption, 2000-2050



Source: OECD Working Paper

Bord Bia

Irish Food Board

The image features two globes of Earth, one on the left and one on the right, set against a dark background filled with numerous small, bright stars. At the bottom of the image, there are silhouettes of several animals, including what appear to be cows and a horse, standing on a dark ground. The text is centered over the globes in a large, bold, black font.

**By 2050, the planet will need to
produce 70% more food, with
less land, water and energy while
also reducing greenhouse gas
emissions**

impacts that are acceptable
with **7** billion

will not be with **9** billion

Jason Clay, Vice President WWF, Dublin - 2012

Retailers & Manufacturers embracing Sustainability...



Global Sustainability Report
2010 PROGRESS UPDATE

2010 PROGRESS UPDATE

Search Report

- Home
- Message from the CEO
- Environment
- Social
- Commitments
- Global Audit Results
- Our Business

“Sustainability is the single biggest business opportunity of the 21st century, and will be the next source of competitive advantage.” **Walmart**

Goal 3: Sell Products That Sustain People And The Environment

“This agenda of sustainability and corporate responsibility is not only central to business strategy but will increasingly become a critical driver of business growth.” **Unilever**

“The intention is to create a gap between ourselves and the competition” **M & S**

“Sustainability is about being ready for the future. Climate change, water scarcity and limited resources will impact on our business. That is why we are taking decisive action now.” **Diageo**



strategy

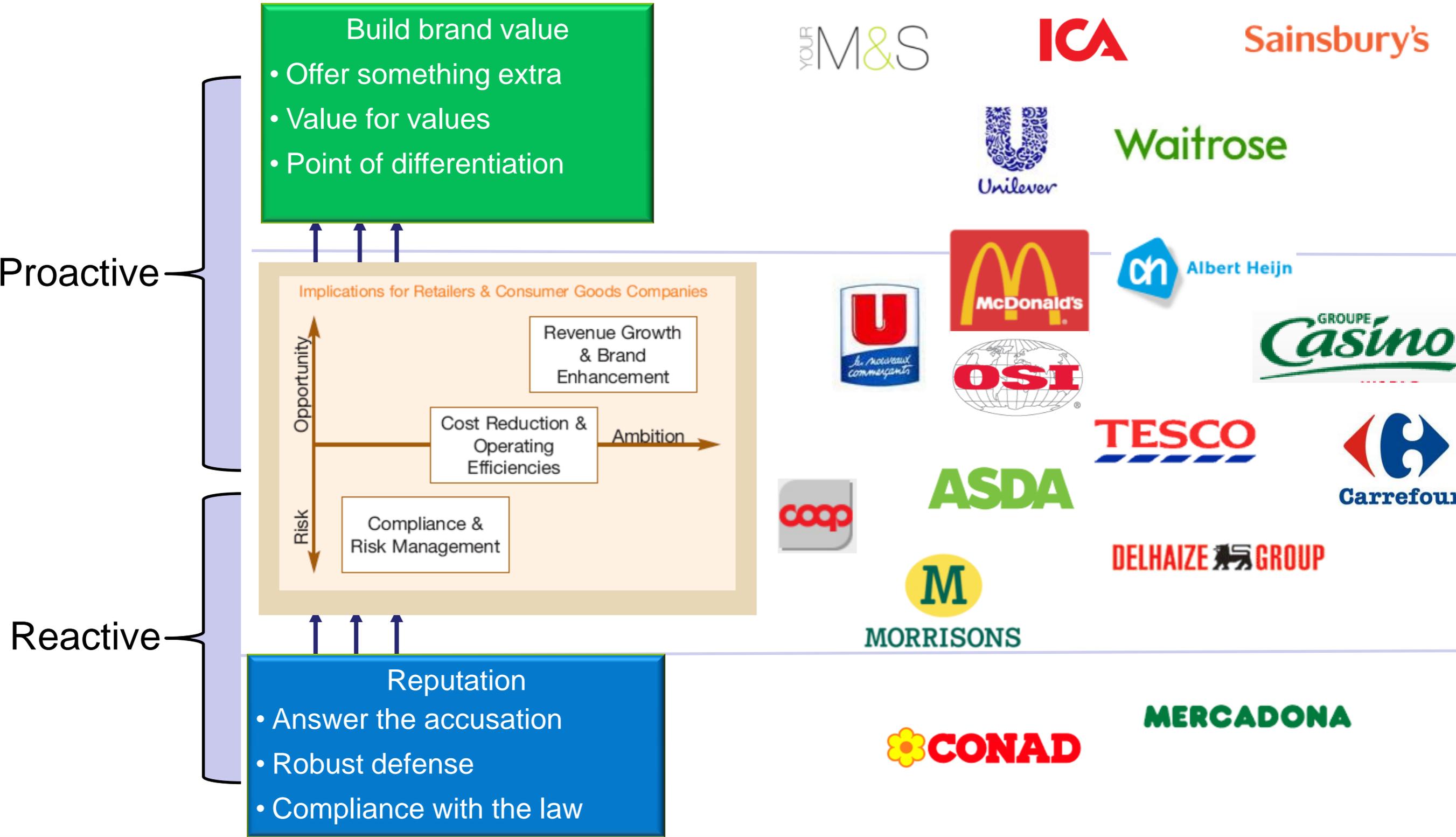
Small Actions. Big Difference.

- ▶ Our economic impacts on society
- ▶ Addressing consumer concerns
- Halve the environmental footprint of our products
- Help more than 1 billion people take action to improve their health and well-being
- Source 100% of our agricultural raw materials sustainably

Growing the success of Irish food & horticulture



Role of Sustainability continues to evolve.....



Growing the success of Irish food & horticulture

Targets being set for key areas

- **Examining more than carbon**
- **Focus on improvement**
- **Looking to their suppliers**
- **Doing the work for consumers**

Key Areas

Carbon



Water



Biodiversity



Welfare



Waste





FOOD

PROMOTIONS

OUR STORY

CAREERS

LOCATIONS

SEARCH

CONTACT US

SERVICES

M WEBSITES



The Road to Sustainability

McDonald's never stops working toward improving our environmental performance...and reaping "double green" benefits around the world.



The Road to Sustainability

Building a sustainable McDonald's involves all facets of our business.

[Learn more about our efforts](#)



Keeping Score

Several years ago, McDonald's worked with Conservation International to develop an environmental scorecard. It drives greater awareness of resource use (energy, water, air emissions and waste) with the ultimate goal of reducing our environmental impacts.

[Watch our video to learn more](#)

Our Story

Our History

Leadership

Our Communities

Values In Action

▶ **The Road To Sustainability**

Greener Than Ever

Recycle, Renew

Animal Welfare

Corporate Info

News

Get straight answers to your food quality questions.

Growing the success of Irish food & horticulture

Sustainable Living Plan

IMPROVING HEALTH AND WELL-BEING

By 2020 we will help more than a billion people take action to improve their health and well-being.

HEALTH AND HYGIENE

By 2020 we will help more than a billion people to improve their hygiene habits and we will bring safe drinking water to 500 million people. This will help reduce the incidence of life-threatening diseases like diarrhoea.

NUTRITION

We will continually work to improve the taste and nutritional quality of all our products. By 2020 we will double the proportion of our portfolio that meets the highest nutritional standards, based on globally recognised dietary guidelines. This will help hundreds of millions of people to achieve a healthier diet.



REDUCING ENVIRONMENTAL IMPACT

By 2020 our goal is to halve the environmental footprint of the making and use of our products as we grow our business.*

GREENHOUSE GASES

Halve the greenhouse gas impact of our products across the lifecycle by 2020.*

WATER

Halve the water associated with the consumer use of our products by 2020.**

WASTE

Halve the waste associated with the disposal of our products by 2020.*



SUSTAINABLE SOURCING

By 2020 we will source 100% of our agricultural raw materials sustainably.

BETTER LIVELIHOODS

By 2020 we will link more than 500,000 smallholder farmers and small-scale distributors into our supply chain.



ENHANCING LIVELIHOODS

By 2020 we will enhance the livelihoods of hundreds of thousands of people as we grow our business.

**Sainsbury's
20 by 20
Sustainability
Plan**

Sourcing with Integrity

1. By 2020, we'll source all of our key raw materials and commodities sustainably to an independent standard

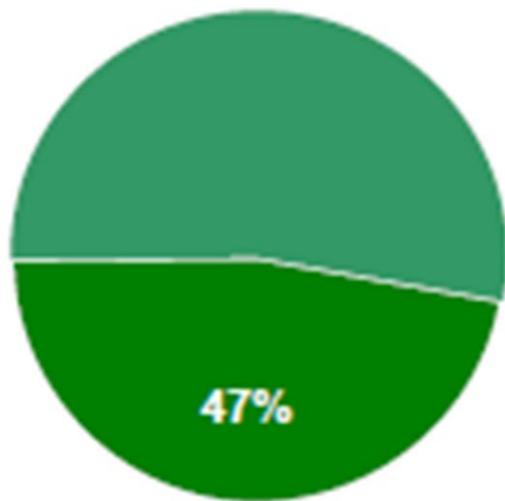


Sainsbury's



Consumer Awareness of Sustainability - 2011

ROI 2011

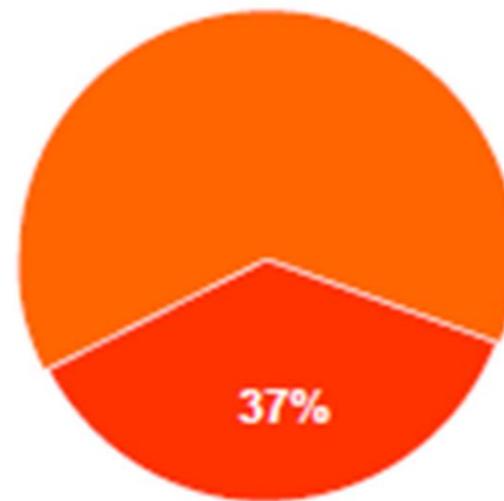


Yes

(41%)

(% Aware 2009)

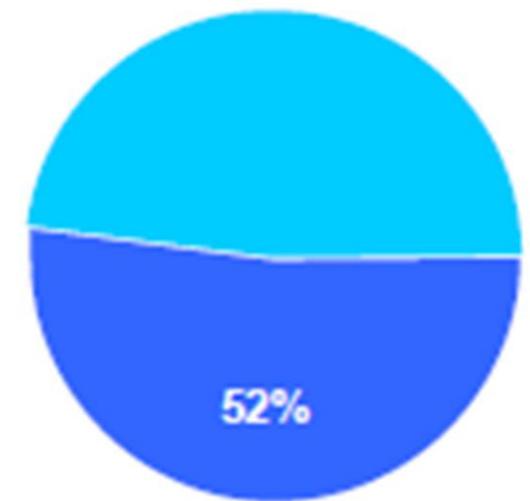
NI 2011



Yes

(40%)

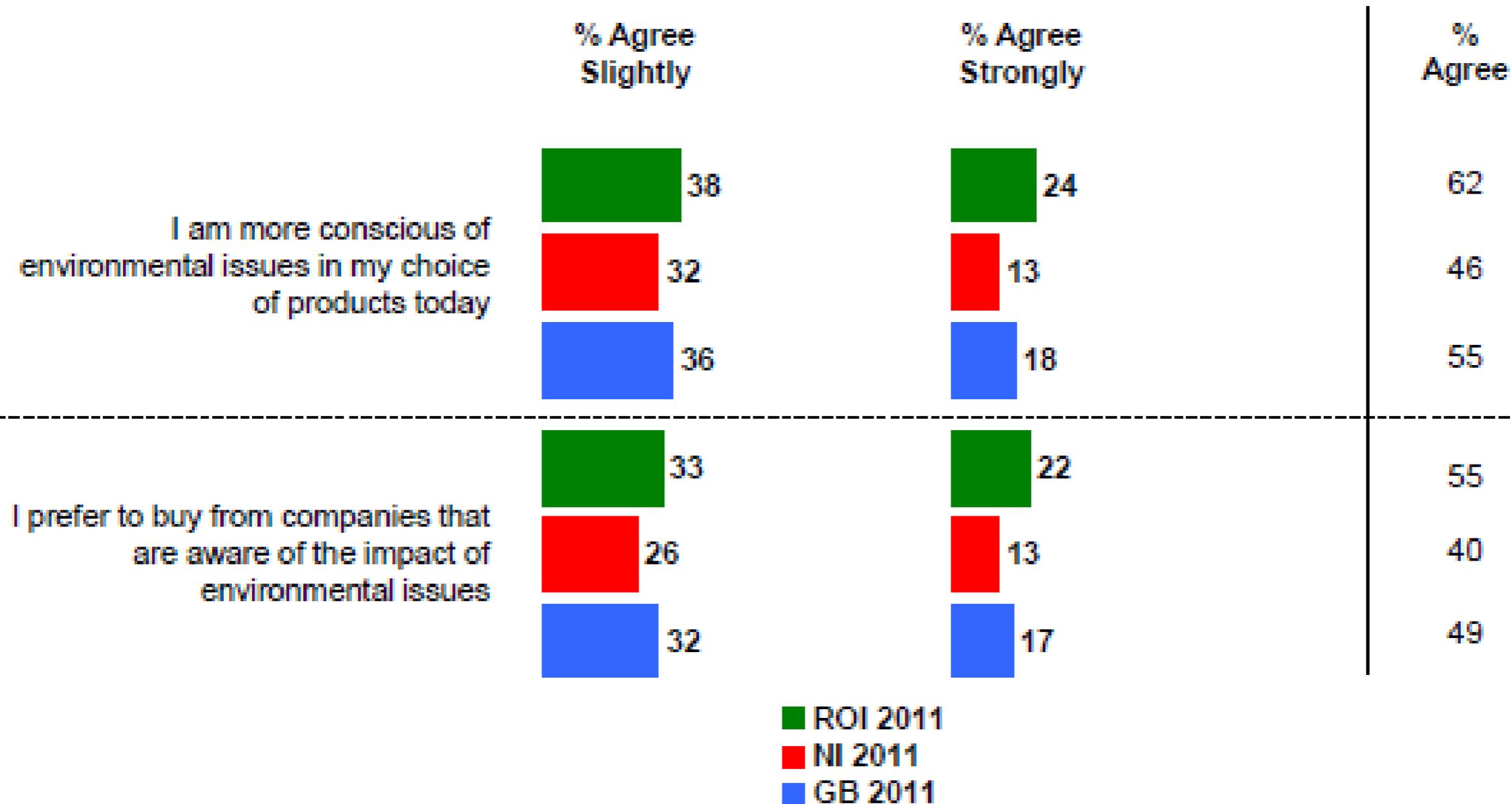
GB 2011



Yes

(47%)

Statements Regarding Environmental Issues - 2011



Q.71 Please tell me how strongly you agree or disagree with the following statements?

Importance of ethical attributes on product choice



■ Not important ■ Fairly important ■ Very important ■ Extremely important

The welfare of animals involved

17% 36% 29% 18%

Supports local/British producers

18% 35% 29% 18%

How it has been produced

17% 38% 31% 14%

The amount of packaging

23% 39% 26% 12%

Where it has been produced

27% 37% 26% 10%

The impact on the environment

22% 44% 23% 11%

The distance it has travelled

36% 35% 19% 9%

Supports workers in developing nations

35% 40% 18% 7%

Summary view from the marketplace.....

- ✓ Sustainability now a key business issue
- ✓ Strategies and targets in place
- ✓ Consumer understanding increasing
- ✓ Looking to retailers and manufacturers to deliver

Opportunities for Ireland



Growing the success of Irish food & horticulture





Growing the success of Irish food & horticulture

Bord Bia
Irish Food Board



WORKING
TOGETHER
TO SAVE
FORESTS



COMITÊ BRASIL
EM DEFESA DAS FLORESTAS
E DO DESENVOLVIMENTO
SUSTENTÁVEL

Dear Mrs. President Dilma Rousseff,

YOUR CREDIBILITY IS LIKE THE FOREST.

ONCE IT'S GONE, IT'S GONE.

Tracking Brazilian beef

Monitoring system set for roll-out



2012 Global Responsibility Report

As the second-largest producer of beef and the top global exporter since 2004, beef cattle represent the leading driver of deforestation in the Brazilian Amazon. According to the National Wildlife Foundation, the country is also the world's third-largest emitter of greenhouse gases, nearly half of which are directly tied to deforestation. These factors make the monitoring of our supply chain critical.

If the planned amendment of the Brazilian Forest Code law goes through, millions of hectares of forest will be lost and billions of tons of CO₂ emitted. This 'reform' also puts at risk Brazil's leading international role in biodiversity and climate protection on the eve of the Rio+20 summit. President Rousseff, during your presidential campaign you pledged to prevent changes in a law that would allow illegal deforestation or give an amnesty to environmental criminals.

Please stand by your word.

For more information: www.wwf.org.br/english
www.comiteflorestas.org.br

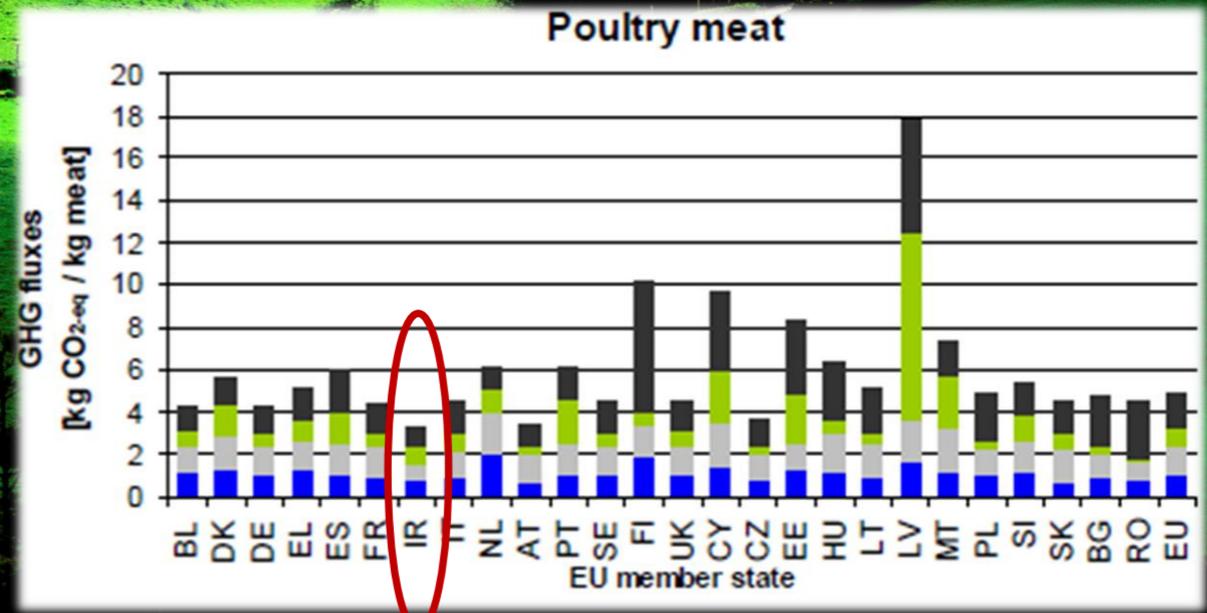
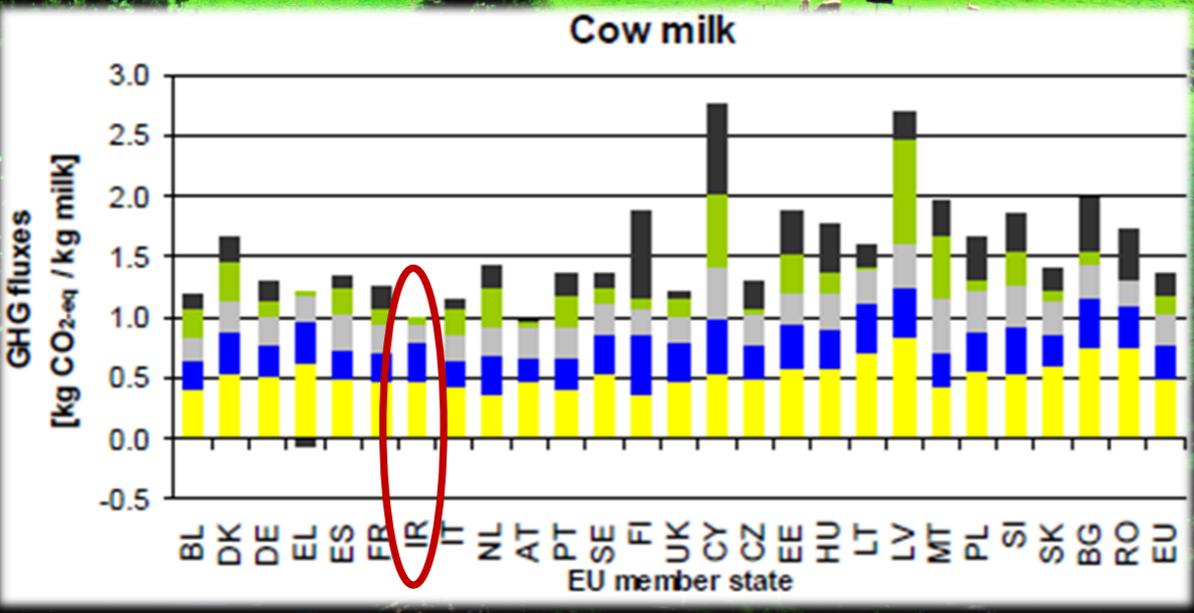
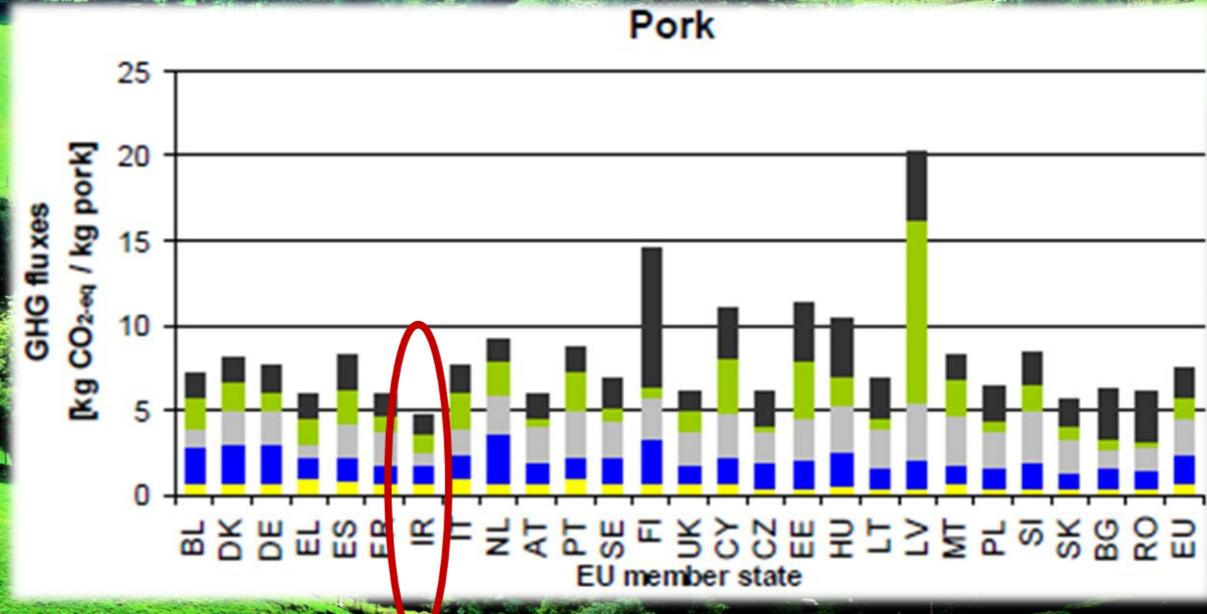
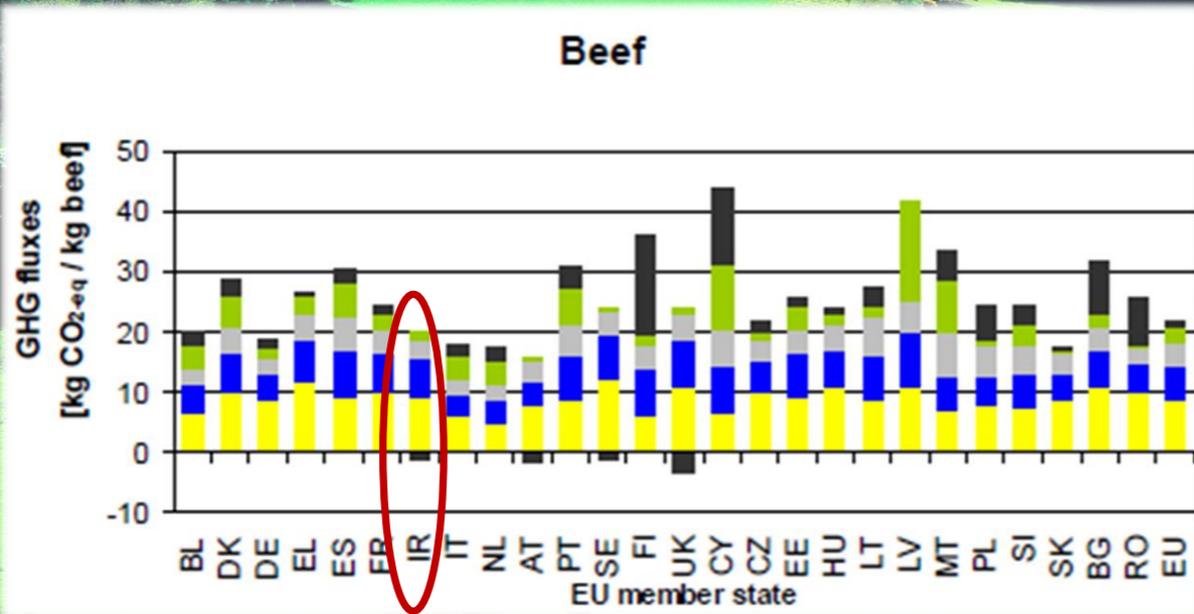
The Comitê Brasil is a coalition made up of 163 organizations representing Brazilian civil society.

FT 26:01:2012

Growing the success of Irish food & horticulture

Bord Bia
Irish Food Board

Ireland is at a good starting point.....



JRC JOINT RESEARCH CENTRE
 Institute for Environment and Sustainability (IES)
 Institute for the Protection and Security of the Citizen (IPSC)
 Institute for Prospective Technological Studies (IPTS)

Growing the success of Irish food & horticulture



Irish food seen to have strong Sustainability credentials



The fact that an Irish farm was chosen as the McDonalds Flagship Farm for beef in Europe indicates Irish farms are doing good things and can farm in a sustainable way



...green and natural...
...we now need to
prove it.....

“Relative to Holland Ireland stands for more space, better climate, fresh grass”



“Superquinn built a reputation for high quality local food, can not achieve this without good local food suppliers”

Demonstrating our Green Credentials



Key Areas

Carbon



Water



Biodiversity



Welfare



Growing the success of Irish food & horticulture

Sustainability Programme

Calculating the Carbon Footprint



Farming



Processing



Packing



Transport



Retail

working with
the Carbon Trust



Farm Enterprise Information ✕

Note: Information to be collected for last full calendar year:

AgFood.ie

Using AgFood.ie?	Yes	No
If not, interested in signing up?	Yes	No

Farm Details

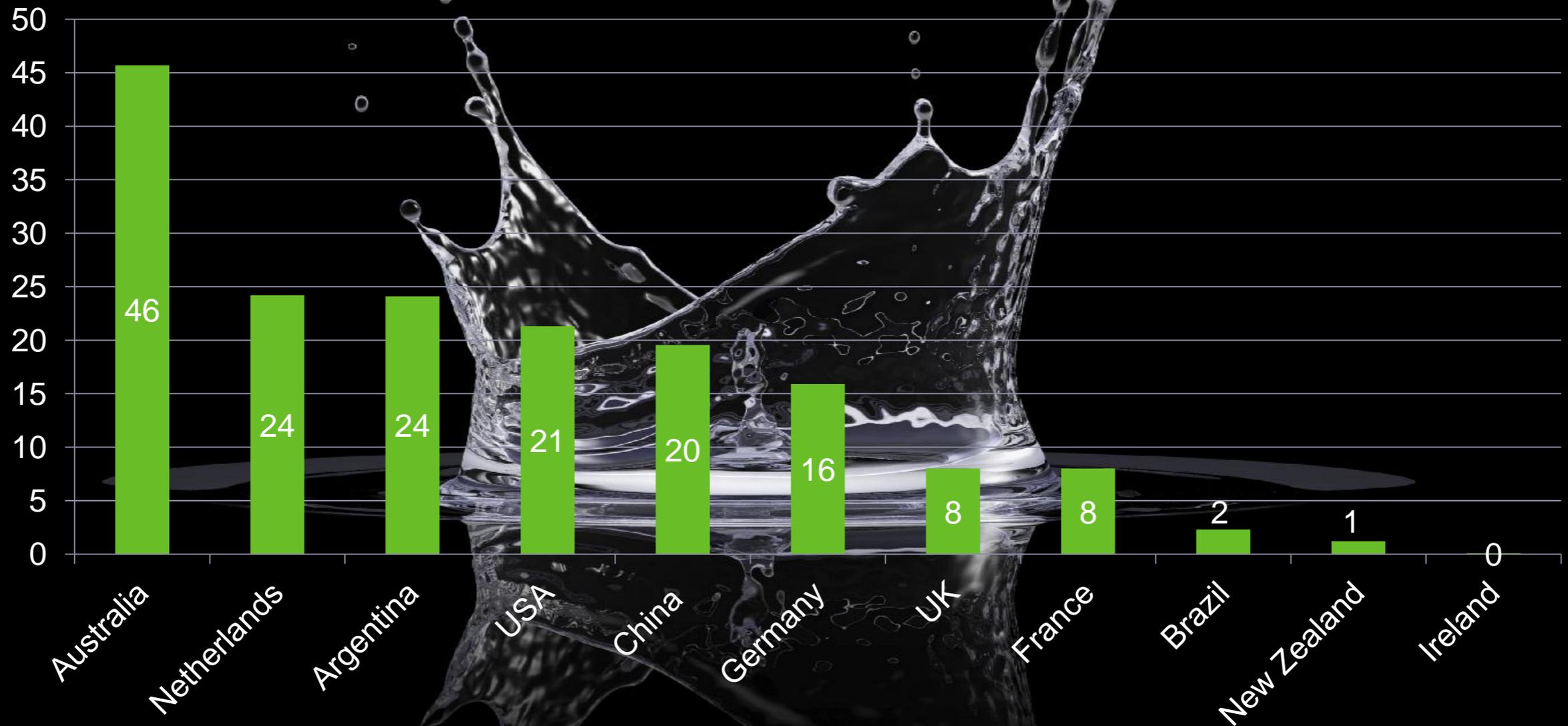
Farm size total (own):

Farm size rented (total i.e. for any enterprise):

Area dedicated to Cattle enterprises (both beef and dairy):

In REPS?	Yes	No
In AEOS?	Yes	No
In Natura?	Yes	No

Ireland has a very favourable water stress index (% of territory under water stress)



*Agriculture uses 70% of the world's
freshwater*

Source: Yale University

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Sustainability offers opportunities for Irish food industry

- ✓ Customers looking to suppliers to help achieve targets
- ✓ A proactive approach offers:
 - Potential to strengthen relationships
 - Improve market position
- ✓ However, credible actions needed
- ✓ Initiatives need to fit with strategic goals of customers
- ✓ Broadening focus beyond emissions

Focus on improvement offers benefits.....

Farmers

Improve Profitability

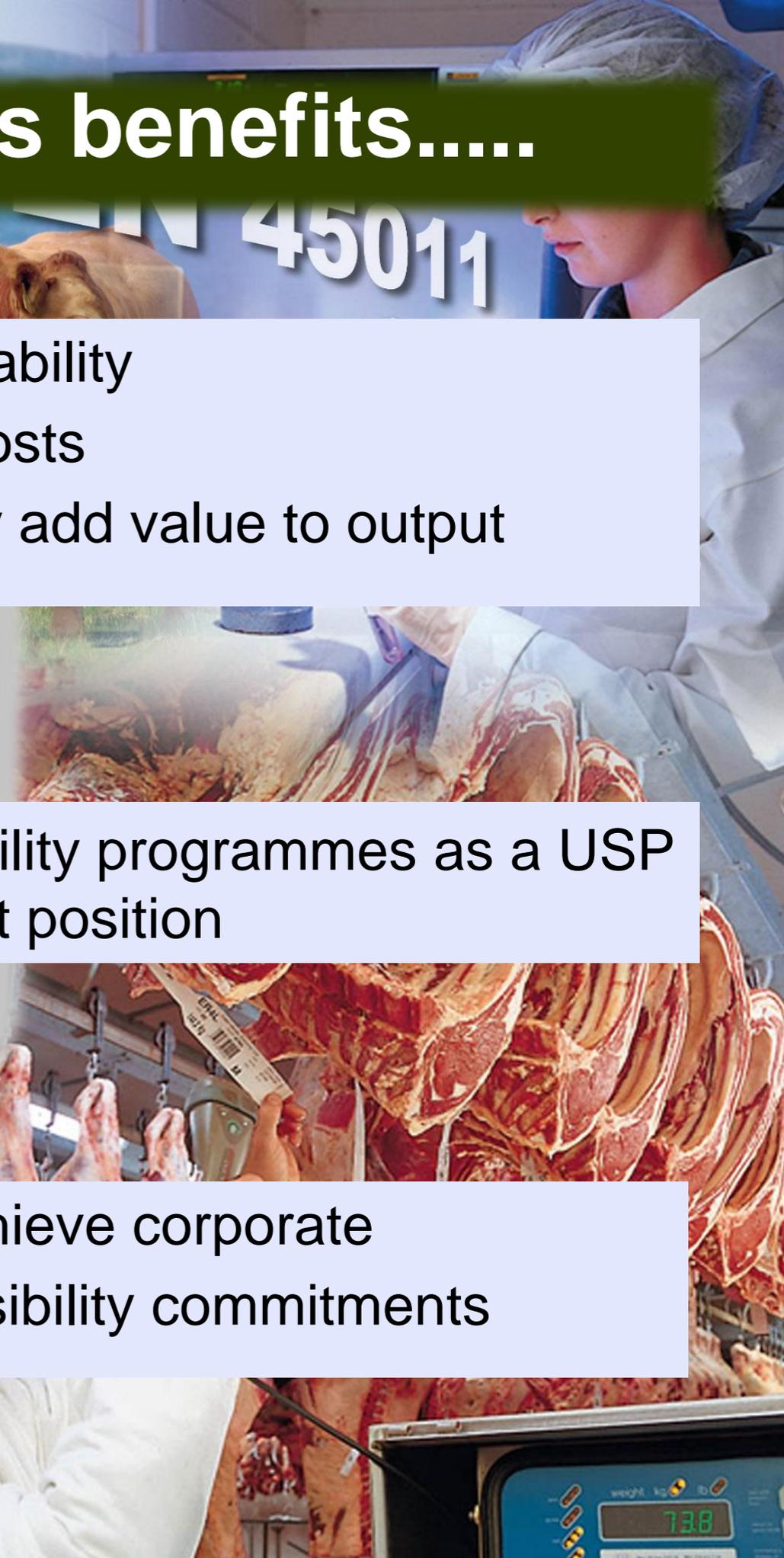
- Reduce costs
- Potentially add value to output

Exporters

Use sustainability programmes as a USP to build market position

Customers

Help them achieve corporate social responsibility commitments



Summary on Ireland

- ✓ Good starting point in terms of emissions per unit of output
- ✓ Positive market perception
- ✓ Need to demonstrate credentials & show focus on improvement
- ✓ Delivering on this offers opportunities with key customers
- ✓ Acting now can help create point of difference.....

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