

## **Sustainability**

**Sector priorities for future success** 



# Industry's commitment to sustainability

The food and drink sector is committed to contributing to the creation of a circular economy and is working with suppliers, retailers and consumers to support sustainable consumption patterns.

The sector recognises its responsibility and role in leading the shift towards circularity. A collaborative approach with all actors across the supply chain will be key to the creation of a sustainable and circular economy. Businesses are investing in many positive changes in their own processes and practices. Food and drink companies will continue to improve the circularity and environmental performance of their products, while ensuring the highest level of quality and safety.

Food Drink Ireland's (FDI) members are fully committed to cutting CO<sub>2</sub> emissions, promoting efficient water use, building a more circular economy for packaging, embedding environmental standards in transport practices, and reducing food waste. FDI members also want to increase their understanding of sustainable supply chains and natural capital.

The traditional linear economy is one based on an ethos of 'take-make-dispose'. The food and drink industry is now transitioning towards a Circular Economy, rethinking how packaging is designed and carefully considering what materials to use.

The food chain comprises many different stages and players, including farmers, industry, suppliers, transport, retailers, consumers and waste managers, all of whom generate different environmental impacts. Sustainability in the food chain, therefore, requires shared responsibility among all those involved along the life-cycle.

The food and drink industry recognise the three pillars of sustainability, environment, and social and economic. The environment is an important element in sustainable food production, however, the economic and social elements in sustainable food production are equally important in sustainable food production.

The food and drink industry supports the aim of sustainable healthy diets. The industry is committed to ensuring people have access to a wide range of food and drink that can support a balanced lifestyle. Reformulation, new product development and portion sizing are key actions.

The 17 United Nations Sustainable Development Goals (SDGs) provide the foundation to build on sustainable practices. For this reason, the food and drink industry have the 17 SDGs at the heart of its sustainability agenda.

#### **Food waste**

Food and drink businesses are committed to ensuring the full implementation of the Waste Action Plan for a Circular Economy, the Circular Economy Strategy and the Circular Economy Bill.

The Waste Action Plan for a Circular Economy outlines the contribution of the sector to the achievement of a number of other national plans and policies including the Climate Action Plan. It also matches the level of ambition being shown across the European Union (EU) through the European Green Deal, which encompasses a range of actions supporting circularity and sustainability.

The Waste Action Plan for a Circular Economy sets out a range of aims and targets and the measures by which these will be achieved. FDI members have many examples of company-level initiatives to reduce food waste in line with the food waste hierarchy:

- Rigorous supply chain management aimed at reducing surplus stock.
- Clear 'use by' and 'best before' date markings on products to reduce food waste in the home.
- Redistribution of surplus food and drinks nearing the end of their shelf-life, for example by working with FoodCloud, a social enterprise that connects businesses with surplus food to charities. Strict standards must be met for donations to ensure the highest levels of food safety.
- Processing of food waste that is not edible or desired by humans into pet/animal food.
- Using starch waste from washed potatoes in the savoury snacks manufacturing process to make wallpaper paste.
- The growing Irish whiskey industry contributes the vast majority of spent grains and pot ale from the distilling and brewing processes for use as animal feed.
- Converting food waste into bioenergy through anaerobic digestion.

Central to continuous progress in reducing food waste is the adoption of a robust methodology with tangible measures. Some companies are already using the Champions 12.3 methodology, which has been developed at international level, along with guidance and reporting templates from WRAP ('Target, Measure, Act' approach). This allows progress to be tracked overtime on a like-for-like basis.

Educating consumers on date marking on food labels has been identified as a key driver in reducing food waste. Up to 10% of the food waste generated in the EU is attributed to date marking, according to a European Commission study in 2018<sup>1</sup>.

<sup>1.</sup> Jarvis, Andrew & Gardiner, James. (2018). Market study on date marking and other information provided on food labels and food waste prevention. 10.2875/808514.

### **Packaging**

FDI members acknowledge their share of responsibility for the impact of packaging on the environment, alongside our value chain partners and stakeholders.

Food waste and packaging are closely linked and cannot be considered in isolation. Packaging is essential to bring many food and beverages to our tables. It has a number of important functions, one of the most important being to reduce food waste. Because of effective packaging processes, food wastage rates (pre-consumption) are 2-4% in industrialised countries. This compares with 50% in developing countries.

For this reason, no measures taken to reduce packaging should increase food waste.

As a major user of plastic packaging, a circular economy approach on plastic is a top priority for the food and drink industry. The implementation of the new European Circular Economy Action Plan and the revision of the Packaging and Packaging Waste Directive will ensure greater resource efficiency and more sustainable packaging solutions for the food and drink sector influencing the industry to become more circular. The industry is also committed to implementing the Single-Use Plastic Directive which aims to reduce the impact of certain plastic products on the environment, particularly marine litter.

Companies recognise the need to minimise the impact of their packaging on the environment. FDI members have many examples of company-level initiatives to achieve this goal:

- Phasing out certain difficult-to-recycle materials, for example, PVC and EPS.
- Working towards reducing the use of complex packaging combinations and move toward simpler, single material, circular packaging formats and materials.
- Developing packaging that encourages re-use or better recycling rates (for example PE and PET)
- Using lighter weight packaging materials and reducing the amount of ink used on film and cartons, resulting in a lower impact on the environment.
- Setting targets and deadlines to meet ambitious packaging milestones.
- Creating and guaranteeing a future market for food-grade recycled content.

Significant investment has been, and will continue to be, made by companies in these initiatives. The food and drink industry is committed to working with Government to create policy that will support the creation of more closed-loop recycling processes, especially those creating food-grade recycled content. A good example of industry and Government working together is Ireland's beverage industry, which has seen cross sectors come together to ensure its preparations for the introduction of a well-designed Deposit Return Scheme.

# Resource efficiency

Resource efficiency is the preserving of the value of natural resources, such as raw materials, energy and water, reducing their use and reusing them more efficiently. FDI members are fully committed to cutting CO<sub>2</sub> emissions, promoting efficient water use, building a more circular economy for packaging, embedding environmental standards in transport practices, and reducing food waste.

Central to the move towards a low carbon economy, the industry is looking at how to do more with less, for example, by promoting energy-efficient technologies such as cogeneration (very efficient technology to generate electricity and heat) or combined heat and power. Cogeneration is part of many food manufacturers' long-term business model.

The Climate Action and Low Carbon Development (Amendment) Act 2021, will provide a statutory basis for Ireland's transition to Net-Zero emissions no later than 2050, and to a 51% reduction in emissions by 2030. The food and drink industry recognises that it will have a leading role to play to achieve the ambitious target of net-zero by 2050.



# The future of the food and drink industry

## The food and drink industry has set out clear ambitious targets to ensure a sustainable future.

The industry is committed to achieving these targets while also working collaboratively with government on achieving successful implementation on national policy and EU policy such as the European Green Deal through the EU Farm to Fork Strategy and the "Fit for 55" legislative package.

Industry-led collaborative research and innovation, which will be key to finding solutions to make the food and drink industry, and our economy, more circular, is needed to maximise value creation opportunities and address the challenges across the industry. A good example of this is the Prepared Consumer Foods Centre in Teagasc which supports research, development, and innovation that aids companies to develop circular practices. Government is well placed to support increased levels of research, development and innovation, both commercial and pre-commercial.

By collaborating with all stakeholders across the supply chain, FDI members and the industry as a whole will significantly contribute to Ireland's successful transition to a circular economy and a sustainable future.



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FDI is the main trade association for the food and drink industry in Ireland. It represents the interests of over 150 food, drink and non-food grocery manufacturers and suppliers.

FDI provides leadership and direction on a number of key strategic issues, including the economic importance and reputation of the sector, competitiveness, innovation, trade, skills, regulation and general food chain policy.