Food and environmental footprint: where we are, where we are going

Introduction: combating climate change.

Today, nobody doubts the importance and priority of sustainability in the development of any economic activity. Even less so in Europe, which has proclaimed itself a global leader in the fight against climate change.

It is precisely from this objective, the fight against climate change, that the successive COP Agreements arise, which contain a series of commitments in different areas and which each State declares through national legislation.

In the European case, it is the EU that is taking the initiative, basically through two strategies adopted in 2020: the Green Pact and the Farm to Fork Strategy.

These two strategies are being implemented through legislation, which must then be applied by the Member States in their territories, with the ultimate goal of achieving greenhouse gas (GHG) neutrality by 2050.

The EU has put in place a significant set of measures in recent years, and for different sectors, but some remain to be developed: Lack of time, resistance to change and technical difficulties are taking care of this, and perhaps a good example of this is the sustainability footprint issue addressed in this Note.

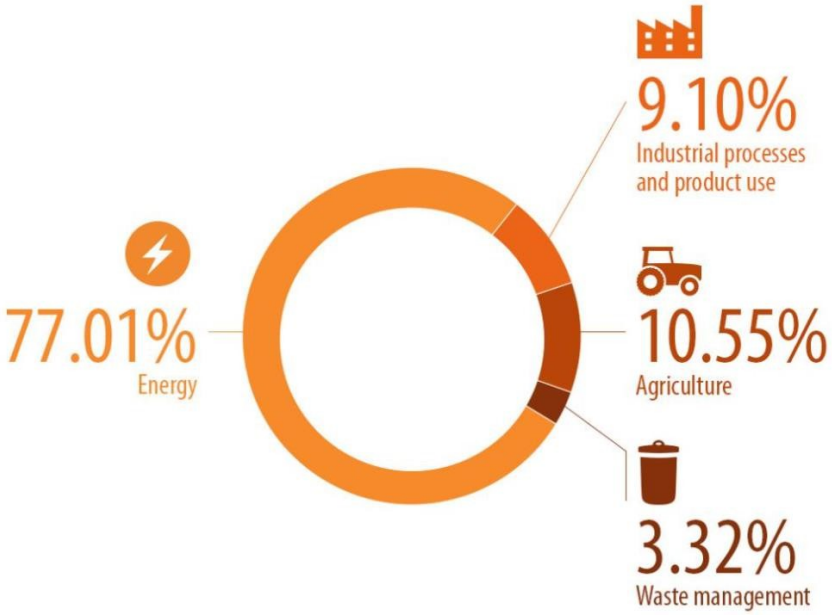
In the following lines we will therefore try to unravel where we are in relation to the sustainability footprint of food, and what we can expect in the near future on this important consumer issue.

Food in the spotlight

Much is said about the impact of agriculture on the environment and its share of GHG emissions, but it is not a sector that is overly burdened.

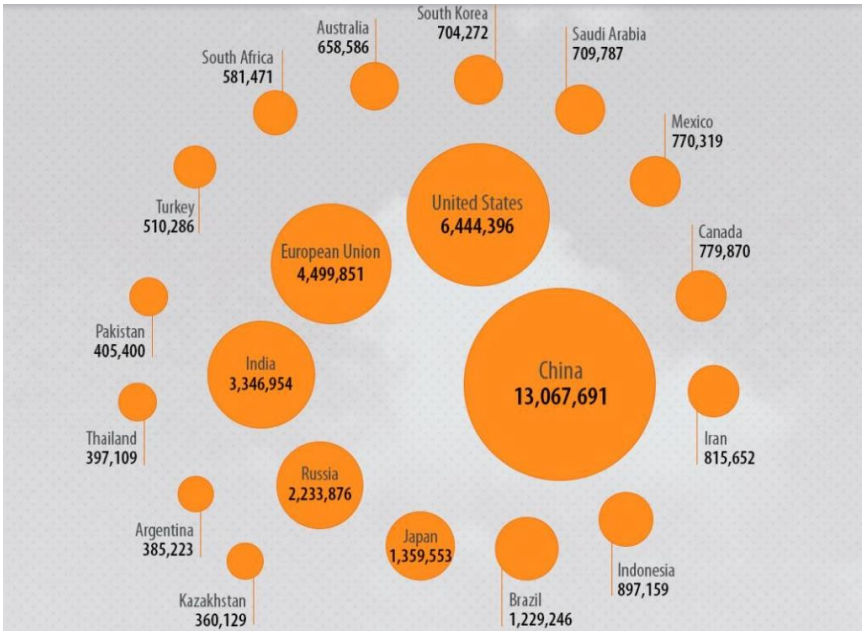
GEI EMISSIONS BREAKDOWN (2020)

SOURCE: EUROPEAN PARLIAMENT



Nor can Europe be said to have a disproportionate share of emissions considering its population and socio-economic development:

SOURCE: EUROPEAN COMMISSION, 2021



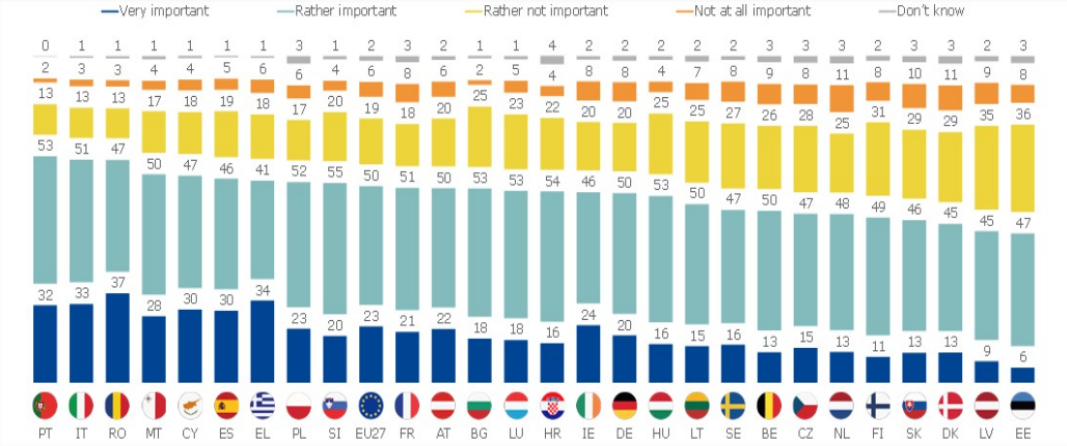
However, no less evident is the growing social and consumer pressure to know what they eat, where it comes from and, in this case, its impact on the environment, as the Eurobarometer (2023) shows:

Impact on the environment

73% say the impact of the product on the environment is 'very important' or 'rather important' when making a purchasing decision.

DX1 How important are the following aspects when making a decision on what products (goods or services) to buy?

The impact on the environment of the product (% by country)



If politicians demand it and consumers demand it....

Initiatives start to emerge from 2020 onwards and the regulator launches different proposals, each time more far-reaching and demanding.

In order to better organise the evolution of this process, we must distinguish between different key concepts:

- **Carbon footprint:** is an environmental indicator that counts the total GHG emitted as a direct and indirect effect of a product;
- **Environmental footprint: the** footprint associated with a product throughout its life cycle - production, packaging, transport, sale and consumption - which in the EU model is constructed on the basis of 16 technical parameters;
- **Sustainability footprint:** the most comprehensive and complex concept of all, as it captures the impact on all three pillars (environmental, economic and social).

What is important to note is that none of these models are closed, i.e. they **do not yet have binding legislation at EU level** and therefore there are no common definitions or technical specifications.

We are still in a process in which nothing has been decided and in which it will take time for the models that will be in widespread use to become established.

...The market is on the move

But the fact that there are still no official and compulsory systems in place has not stopped the emergence of measures of different kinds and promoted by different actors, such as:

- Commercial distribution
- The industry
- Other actors

In the case of **Retail Distribution**, many retailers have their own sustainability strategies, which include their own methods of measuring and hence reducing their environmental impact.

An interesting case is Coop in Sweden, which has a Sustainability Declaration and recommendations that apply to its suppliers.

In the case of industry, the Ingurulabel Project offers a tool for SMEs to calculate the environmental footprint of their products and communicate it with easy-to-understand labelling. It involves a group of six companies in the Basque food industry (Artomaña, Txakolina, Casa Eceiza, Illargui, Sidras Zelaia, Udapa and Vascolac) which, seeking to anticipate regulatory changes and respond to consumer demands in terms of environmental communication, have set up Ingurulabel through the Basque Food Cluster.

In the same industrial field, but with a sectorial character, we can mention the Sustainable Wineries for Climate Protection initiative, under the auspices of the Spanish Wine Federation (FEV). Wineries for Climate Action is a certification scheme developed by the FEV, covering environmental, social, economic and governance values, with authorised third-party certifiers.

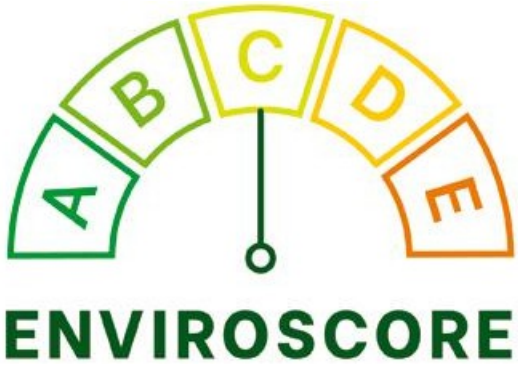
Last but not least, mention should be made of other no less important initiatives that have emerged in the field of voluntary labelling at country level and which are competing with each other for the largest de facto implementation, something that so far none of them has achieved.

The most significant of these could be considered:

- ECOSCORE, a French system set up by a group of companies and organisations, follows the Nutriscore scheme:

- PLANETSCORE, another French system designed by organisations and implemented by companies (in Spain Eroski), with its own logo:

- ENVIROSCORE, developed by AZTI and KE Leuven on the basis of the environmental footprint and the EU recommendation.



- Finally, it is worth mentioning the existence of some applications that have an impact on the environmental footprint and use label scanning to inform consumers about the conditions of the product - although they do not always respond to purely technical criteria. These include Open Food Facts.

In short, once again it must be stressed that the proliferation of models, some with more scientific basis than others, not only confuses the consumer, but also increases costs for companies.

So where do we stand?

The situation is complex, as we have seen, especially because there is still a lack of a regulatory reference that clearly allows companies to define their footprint, the type of footprint and the conditions for its use and communication to the consumer.

In the absence of regulatory clarity, what we can do is describe where we are, and where we are going.

The first reference to mention is the **Commission's 2021 Recommendation on environmental footprinting methods**. This is a recommendation - therefore non-binding - aimed at both products - including agri-food products - and services and organisations/companies, which the Commission makes available to operators and which is intended to serve as a guide for national administrations.

Where regulation does exist is in the area of *greenwashing*. The EU's Circular Economy Plan and the 2020 Consumer Agenda include four proposals, among them:

i) the recently adopted Directive (EU) 2024/825 on **empowering consumers** for the green transition through better protection against unfair practices and through better information;

ii) and the proposal for a Directive on Environmental *Claims*, which is now starting to be negotiated between the Parliament and Council of theEU. These new rules will improve consumers' rights and their adaptation to the ecological transition, so that they are better informed and protected in their decision

The Green Claims Directive's main objective is to fight against the "greenwashing, which occurs when companies make false or exaggerated claims about the environmental impact of their products to attract consumers who are concerned about the state of the environment. This misleading practice can lead to poor purchasing decisions and damage consumer confidence.

on companies that are committed to sustainability and care for the environment. At the same time, they are considered a form of unfair competition because of the damage they can cause to competitors.

Among the key points of the standard, the following are worth highlighting:

- **Clarity of claims**: Companies should ensure that any environmental claims are clear, specific and backed by verifiable scientific evidence. Words such as "green", "environmentally friendly" or "eco-friendly" should be used.
  The term "sustainable" must be defined transparently and precisely.
- **Scientific evidence**: environmental claims must be supported by quantifiable data and transparent assessment methods. The Directive emphasises the use of robust metrics, such as reduced carbon emissions or the use of recycled materials.
- **Prohibition of misleading** claims: The directive prohibits misleading claims, such as labelling a product as "100% natural" when it contains synthetic or potentially environmentally harmful components. This includes vague or unclear terms, misleading images, exaggerations or claims that cannot be backed up.
- **Transparency in labelling**: The use of recognised eco-labels and third-party certifications to support environmental claims is encouraged. This makes it easier for consumers to identify truly sustainable products.
- **Harmonised standards**: The Directive establishes harmonised standards for green claims across the EU, ensuring a consistent and uniform approach in all Member States.
- **Sanctions for non-compliance**: sanctions and corrective measures are provided for companies that violate the provisions of the directive, including fines and injunctions.

For consumers, the Green Claims Directive will provide greater protection against misleading advertising related to sustainability and they will be able to trust that the environmental claims of products and companies are true and that there is a system in place to ensure that they can make choices based on truthful information.

Finally, the European Commission is planning to present a new EU Regulation on Sustainable Food Systems, which will include the details for the mandatory implementation of the sustainability footprint. This model is the most comprehensive of all, including environmental, economic and social provisions based on more than 300 parameters.

The project is on hold pending the resumption of work by the new European Parliament and the new Commission at the end of 2024.

Final considerations

We are at a delicate moment because there is still no common and recognised model for measuring and communicating the environmental footprint.

The market is demanding this need, and as a result there is a proliferation of initiatives of different types - more than 300 systems according to UNCTAD - that are competing to become a reference and to generalise their implementation.

On the public side, the European Union does not yet have a common regulation on environmental footprint and sustainability, and all indications are that this goal is still a couple of years away.

That said, the value of the footprint concept and its impact in different areas - quality, image, communication, labelling and presentation, costs, price, etc. - is evident.

Precisely because of this value, companies can exploit this resource with the support of specialised entities and always considering the obligations of Directive 2024/825, in order to avoid fines or injunctions, and progressively aligning themselves with the legislation to be adopted.