

**Daymon**

INTERNATIONAL DEVELOPMENT CENTER



# ENVIRONMENTAL SCORES

November, 2022

# WHAT'S ON THE AGENDA

- The need for an Environmental Score
- Environmental scores being used
- What is the Eco Score
- Eco Score pilots
- Environmental Score advantages
- Summary

# THE NEED FOR AN ENVIRONMENTAL SCORE

# WHY DO WE NEED ENVIRONMENTAL SCORE

Is an answer to **negative impacts** on the **environment** directly connected to **food production**

In the world, food production is responsible for:

- 30% GHG
- 60% consumption of drinking water
- most of packaging waste



Research suggests our individual GHG contribution can be halved by changing our diets

(In France)

- 38% of consumer's purchase decisions - provenance/if it's currently in season
- 78% - not provided with enough information on the environmental and health impacts

Source: <https://docs.score-environnemental.com/v/en/>; Food Navigator.com; [www.deutschland.de](http://www.deutschland.de)

# WHY DO WE NEED ENVIRONMENTAL SCORE

## European Commission

- registered on the 30<sup>th</sup> of June 2021
- a European Citizens' Initiative (ECI)
- calling for a “European eco-score”
- to inform consumers about the ecological impact of different products



**ENVIRONMENTAL SCORES BEING USED**

# ECO IMPACT



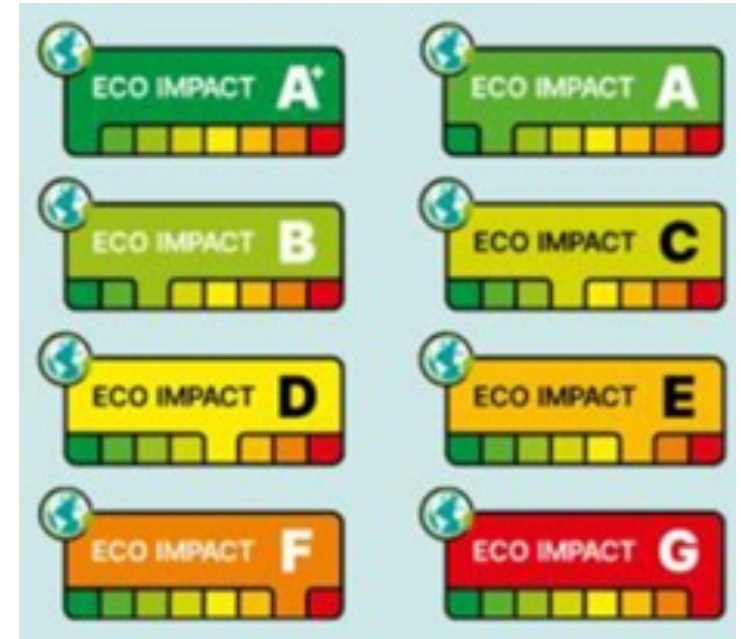
- ❑ UK pilot scheme for food and beverage environmental impact labelling
- ❑ The organization running the initiative is [Foundation Earth](#)
- ❑ Enrolling: Nestlé, Co-op Food, Sainsbury's, Tyson Foods, Costa Coffee, etc.

Products will be assessed and given a weighted score based on their environmental impact:

- carbon footprint (49%)
- water usage (17%)
- water pollution (17%)
- biodiversity loss (17%)

Some aspects such as the impact of packaging recycling is not included.

The scoring appears from A+ (best) to G (worst) with associated colour coding from green to red.



Source: [leatherheadfoodresearch.com](#)



# SUSTAINABILITY COMPASS



Netto Marken-Discount has introduced a sustainability compass, which the retailer claims is a first among food discounters in Germany

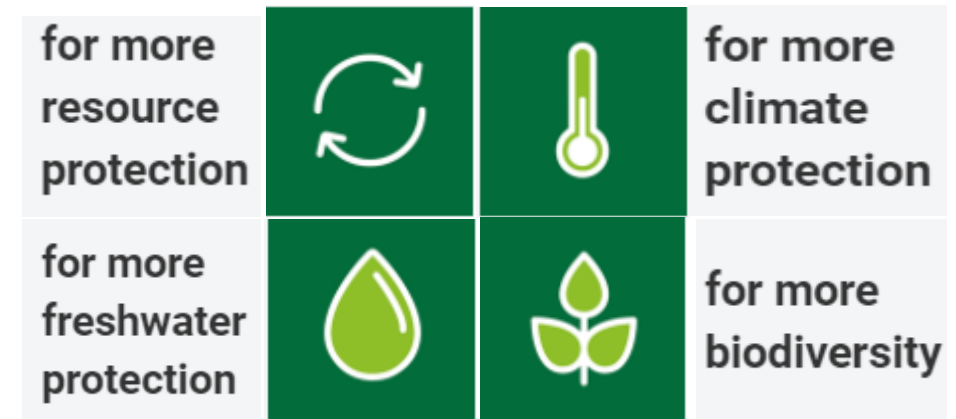
Four different symbols show whether an article fulfils the environmental criteria for areas such as:

- resource protection
- freshwater protection
- climate protection
- biodiversity

The compass is based on the Sustainable Development Goals (SDGs) of the United Nations

Information is only seen on SRP, app or site.

Source: ESMagazine.com; Netto-online.de





# ANIMAL WELFARE

**Tierschutz:** Animal Welfare Rating – Swiss Animal Protection SAP

Rate:

- welfare of the animal
- the credibility of the animal protection benefits

Includes the conditions under which the animals are kept, transported, and slaughtered, but also the quality of control procedures.

- ❑ Rating A (Top) - animals kept in groups; textured areas or spread with bedding; have the opportunity to be active, take exercise in the open air.
- ❑ Rating D (Low) - animals kept entirely indoors; little variety and hardly any activity. This category covers most of the products that come from the EU and overseas.

Majority of the EU and ex-EU products are rated as D.

Enrolling: Lidl Switzerland



# EATERNITY



Swiss based organization, has developed for more than 10 years the world's most conclusive LCA database of the food supply chain.

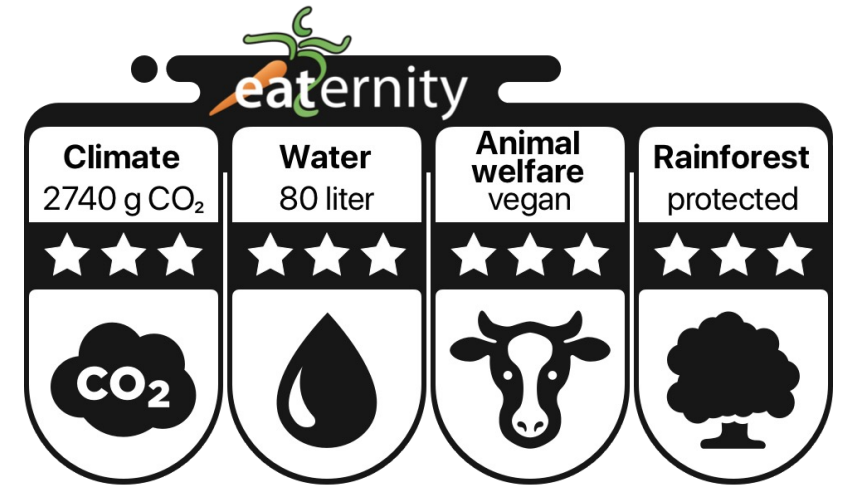
Scores: Climate (CO2 emissions); Water footprint, Animal Welfare, Rainforest

3 Star Rating:

- 1 Star – Critical
- 2 Star – Good
- 3 Star – Very Good

Yearly reviewed and enables the consumer to see more details on the criteria online.

Enrolling: Pumperlgsund's Klima Ei, SimplyV, TressBrüder, The Rainforest Company



# ANIMAL WELFARE



**Haltungsform:** Overview and classification of the various types of husbandry on which the production of products of animal origin is based.

Rates:

- **Level 1** (Stalhaltung/Stable Housing) – factory farming
- **Level 2** (Stalhaltung Plus / Stable Housing Plus) - animals are still raised conventionally; promotes greater animal welfare in livestock farming;
- **Level 3** (Aubenklima / Outside Climate) - more space and constant access to outdoors
- **Level 4** (Premium) - loose housing with permanent access to open or free-range

Enrolling: Aldi, Bunting, Edeka, Kaufland, Lidl, Netto, Penny, Rewe



# OTHERS

## ❑ Färmscore

Färm- a Belgium cooperative network of organic stores. Where it's possible to consume organic, local and ethical, support independent producers and family businesses and avoid listed multinationals.

## ❑ Planet Score

Developed in France by France's Organic Food and Farming Institute (ITAB), research organization Sayari and consumer research-focused Very Good Future.

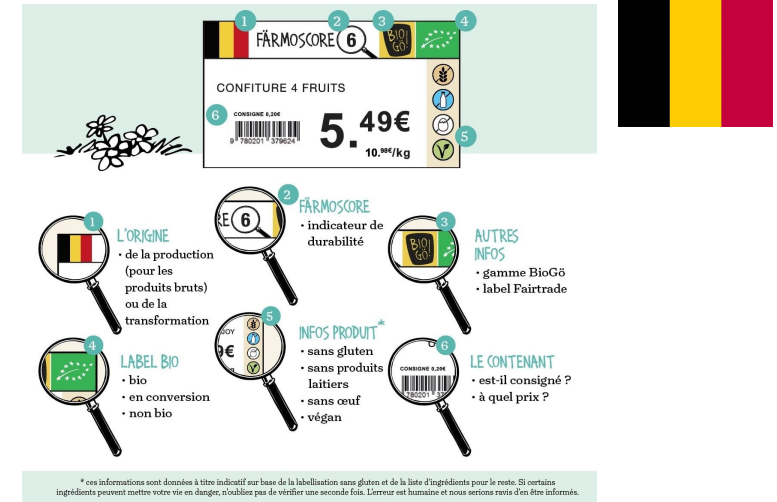
Based on LCA methodology, but also addressing pesticides use, climate impact, biodiversity and animal welfare

## ❑ Beter Leven/Beter Life label

The Dutch SPA wants to improve the welfare of the 99% of production animals that often live in very intensive not very animal friendly systems.

One way to do that, is to work with the industry in setting up market segments with products derived from animals that are kept in a more animal friendly way.

Scores from 1 star to 3 stars.



**WHAT IS THE ECO SCORE**

# ECO SCORE DEFINITION

Is the result of collaborative work between 10 independent players: ScanUp, Eco2 Initiatives, Etiquettable, Yuka, Open Food Facts, Frigo Magic, La Fourche, Marmiton, Food Chéri and Seazon.

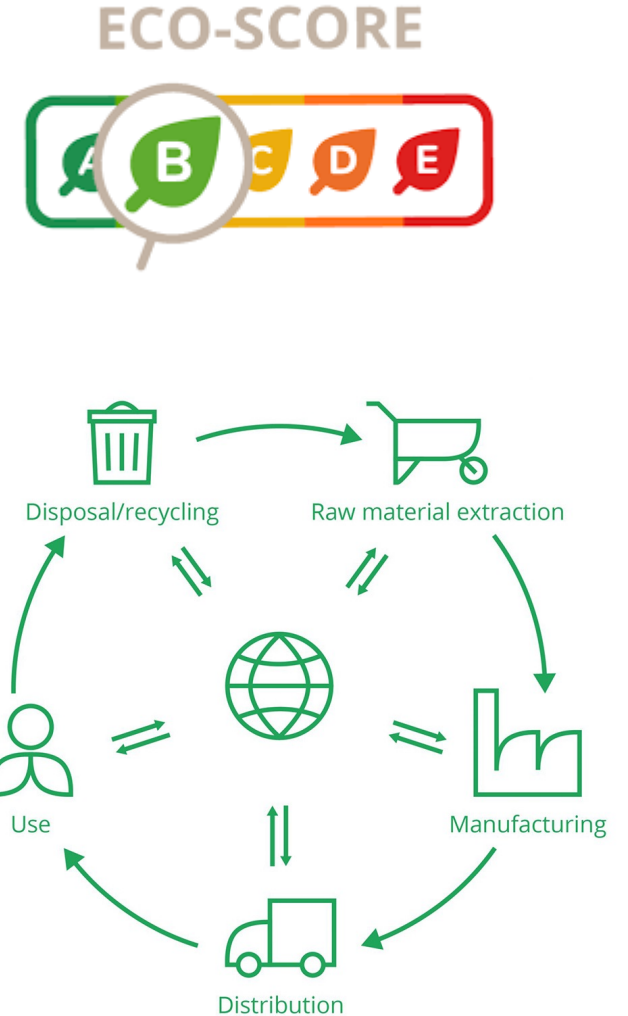
Captures the total **environmental footprint**, making it easier for consumers to compare products

Uses the Product Environmental Footprint (PEF) method, which is based on Life Cycle Assessment (LCA)

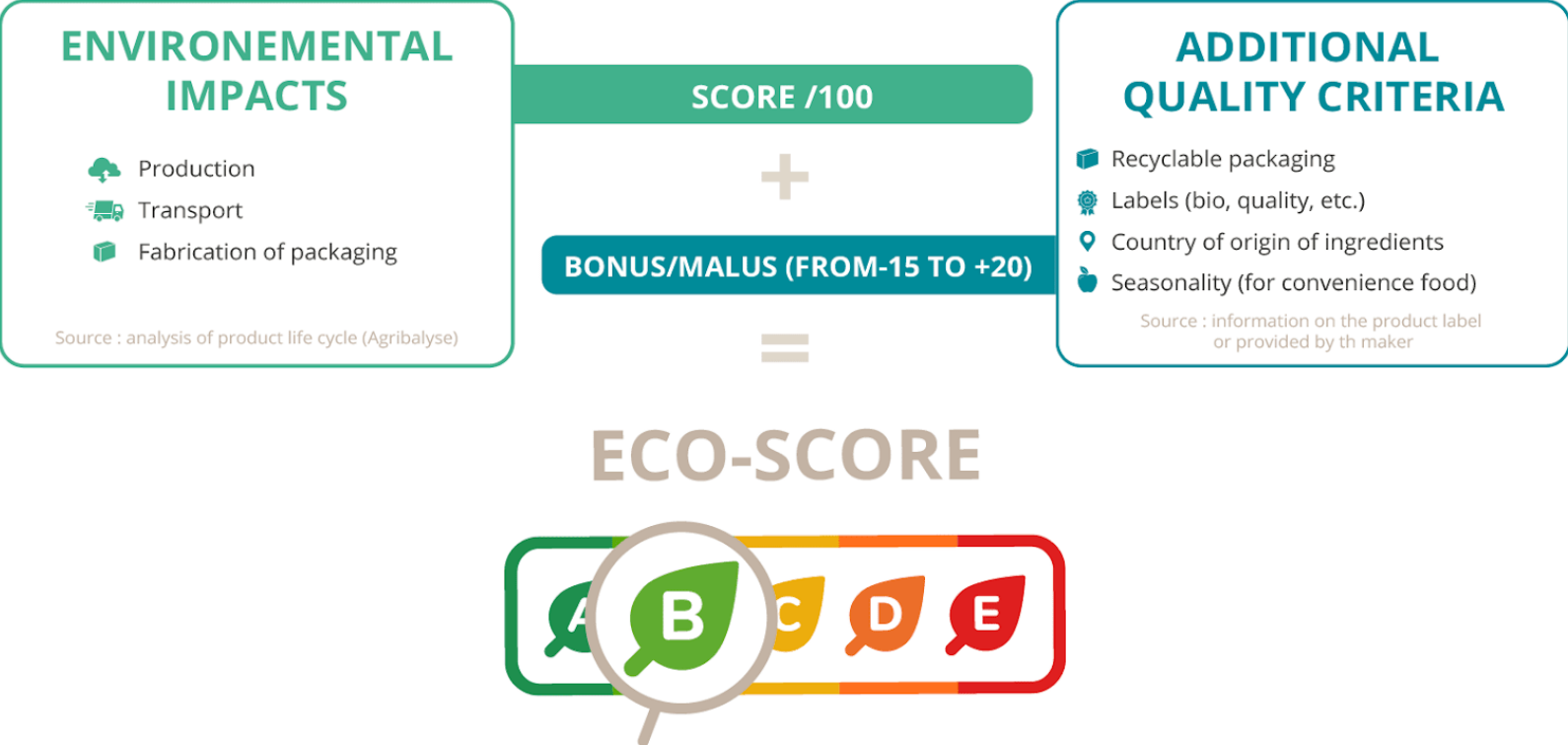
LCA addresses the extraction of raw materials associated with the product, as well as its production and distribution of energy throughout its use, reuse and final deposit.

The LCA awards a score between 0 to 100, and the bonus or minus points can give a downgrade or upgrade ranging from -15 to +20 points

Source: Food Navigator.com; Rabobank.com



# ECO SCORE



In a mathematic equation:

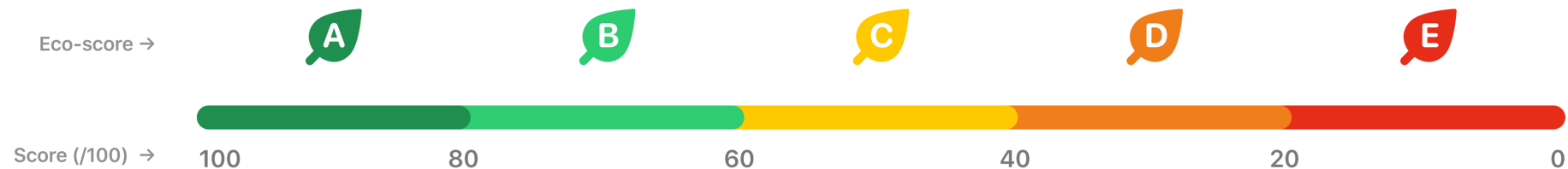
$$\text{Eco-Score} = \text{life cycle assessment (LCA)} + \text{bonus points} - \text{points deducted}$$

LCA is a technique for assessing the environmental aspects associated with a product over its life cycle

Source: <https://docs.score-environnemental.com/v/en/>

# ECO SCORE DEFINITION

- Classes food products from A (low, dark green color) to E (high, red color) according to their impact on the environment
  - An A score suggests the product is a sustainable choice, while an E score represents a relatively high environmental footprint.



- It can be applied to both agro-industrial raw products and also to convenience food.

Source: Food Navigator.com; Rabobank.com

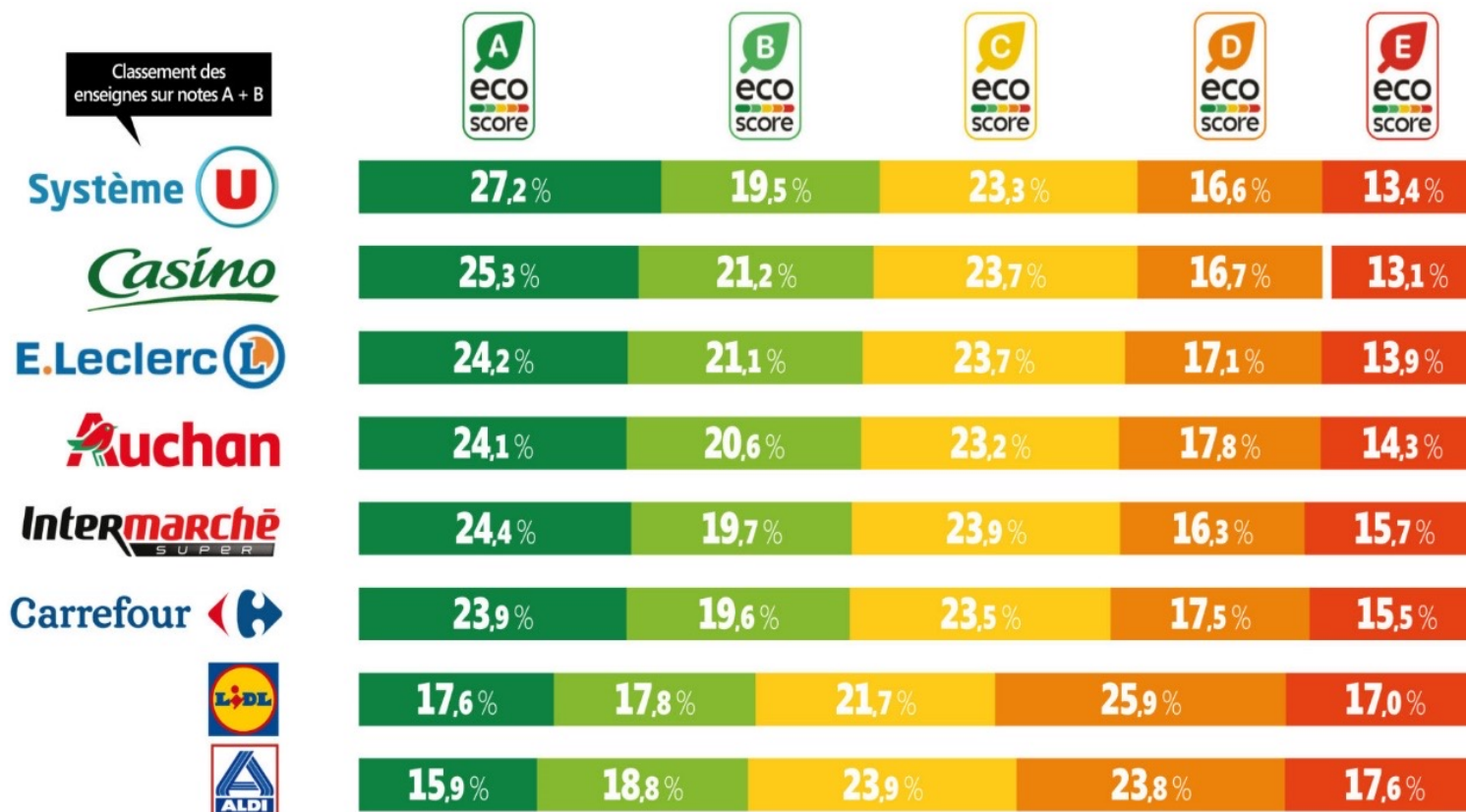
# ECO SCORE PILOTS

# RETAILERS USING ECO SCORE

Retailer	Image	Country
		<p>Scotland, The Netherlands, Belgium and Berlin</p>
		<p>Online</p>
		<p>Online</p>
		<p>Belgium</p>

# RETAILERS UNDER THE LIGHT OF ECO SCORE

## PRIVATE LABEL ASSORTMENT



Source: <https://www.olivierdauvers.fr/2021/09/13/exclu-mdd-queles-sont-les-enseignes-les-plus-eco-responsables/>

# ENVIRONMENTAL SCORE ADVANTAGES



# ADVANTAGES

SUSTAINABILITY REMAINS A KEY CONSIDERATION FOR CONSUMERS:

- ❑ **55 %** (of British) consumers **favor brands** that have **environmentally sustainable practices and values**
- ❑ **87%** of people would buy a **product with a positive environmental impact**
- ❑ In 2021 Oda (Norway's leading online grocers) started printing the carbon footprint on customer receipts. Since then, reported a drop in the number of orders for red meat. Carbon-heavy product sales have fallen in general.

The social context and political timing are perfect for companies to show their leadership in sustainability.

Source: Deloitte Sustainability & Consumer Behavior survey

<https://www.forbes.com/sites/forbesnycouncil/2018/11/21/do-customers-really-care-about-your-environmental-impact/?sh=c7f56bb240d0>

[https://www.greenqueen-com-hk.cdn.ampproject.org/c/s/www.greenqueen.com.hk/amp/red-meat-carbon-footprint-oda-norway/?fbclid=IwAR3eQyxWtT\\_SQeQkDjYwpNtuVHTqT-Ta3TsO62VIBREGFk4zqOUyIlsTEo](https://www.greenqueen-com-hk.cdn.ampproject.org/c/s/www.greenqueen.com.hk/amp/red-meat-carbon-footprint-oda-norway/?fbclid=IwAR3eQyxWtT_SQeQkDjYwpNtuVHTqT-Ta3TsO62VIBREGFk4zqOUyIlsTEo)

# ADVANTAGES

Investing in eco-labels will:

- boost **brand image, customer trust and satisfaction**
- leading to long-term benefits
- **good relationship** with the **younger** communities

Environmental indicators:

- useful information to support the customer's decision process
- can be **used by retail** to develop
  - additional functionalities
  - new services
  - specific loyalty programs
  - product recommendations



# CHANGING MARKET DINAMICS

- **Food producers will try to compete**
  - adjusting their offerings to achieve a higher Eco-Score
  - especially in the case of private label products
- **Changes on consumer behavior**
  - a consumer looking for a Friday night snack might, based on a certain Eco-Score, decide to replace their regular cashew nuts with a more sustainable version
  - or they could decide to go for potato chips instead (which generally have a better Eco-Score)
- **Food producers rethink their product portfolio** - consider reformulating their products with more sustainable ingredients

# SUMMARY

# SUMMARY

Environmental scores are a great tool for **retailers to show** that they have a real interest in pursuing a **sustainability path**

Will **change** the retailers' and food producer's **portfolio**

It's very important that legislation brings us harmonization.



## PEF – PRODUCT ENVIRONMENTAL FOOTPRINT

**16 environmental impact categories**  
will be **communicated**  
with a **score**  
into a **single label**

European Commission - working on a proposal  
(for nearly ten years):

- force companies to substantiate their environmental claims
- using an EU-wide methodology



Source: <https://www.euractiv.com/section/circular-economy/news/eu-to-tackle-green-claims-with-unified-product-lifecycle-methodology/>

<https://ec.europa.eu/environment/eussd/pdf/footprint/PEF%20methodology%20final%20draft.pdf>

# QUESTIONS?

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# NEXT WEBINAR

QA & SUSTAINABILITY WEBINARS

Don't miss the next one  
which will be on

**Strategies to Fight Food Waste**





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