

Collaborate To Innovate

THE FIRST-EVER CONSUMER GOODS FORUM SUSTAINABLE RETAIL SUMMIT TOOK PLACE RECENTLY IN PARIS, WITH TOP-LEVEL EXECUTIVES AND INDUSTRY REPRESENTATIVES IN ATTENDANCE, TO EXAMINE WAYS TO EFFECTIVELY IMPLEMENT SUSTAINABILITY INITIATIVES, BOTH IN THEIR OWN BUSINESSES AND THE WIDER INDUSTRY. **ESM** REPORTS ON THE KEY TRENDS.

Building on the progress made during last summer's Consumer Goods Forum Global Summit in Cape Town, leading representatives from the retail and FMCG industries descended on the Pullman Hotel Bercy for the inaugural Consumer Goods Forum Sustainable Retail Summit, which sought to 'inspire and inform' delegates on the best way to implement sustainable business practices in their organisations.

Some 240 delegates from 27 countries

were in attendance, along with *ESM*, which, as media partner, had the opportunity to meet some of the key personnel behind industry-leading CSR initiatives. Hosted by BBC journalist Tom Heap, the event prompted plenty of lively discussion, with speakers eager to embrace solutions that benefit the industry as a whole, rather than congratulate themselves on their own CSR initiatives, which was refreshing to see.

Following the event, *ESM* had the chance to speak to Tesco chief executive Dave Lewis about the positive work on

food waste currently being undertaken at the UK-based retailer, which you can find on page 34.

Delegates to whom *ESM* spoke felt that the content was insightful and engaging, especially because this was the first such summit of its kind.

Food Waste

There were three main topics for discussion over the two days of debate: food waste, forced labour and healthy living.

The need for retailers and suppliers to think collaboratively on ways to minimise food waste was evidenced by a joint presentation by Tesco's Dave Lewis and arch-rival Mike Coupe, chief executive of Sainsbury's. It was one of the most talked-about – and tweeted-about – discussions of the first day, and an indication of how all retail participants need to think beyond the competitive nature of the sector in order to

achieve industry-wide results.

As Coupe explained, adopting a proactive stance on food waste makes commercial sense. "There is a degree of cynicism about why supermarkets would want to tackle food waste," he explained, "but if we can take waste out of our supply chains and resonate stronger with our consumers, that has a commercial benefit."

The timing of the summit was notable, as February 2017 marks the enacting of a controversial law in France that stops supermarkets from throwing away excess food.

Speakers were split on the question of whether such a government-led initiative is the silver bullet that the industry needs. As Coupe put it, "If you put the right structure in place in your business, there is no need for legislation."

Elsewhere, Carrefour's sustainability director, Bertrand Swiderski, also weighed in on the French legislation, saying, "[While] it

"Hopefully, some day, we can come to a situation where consumers are willing to pay more for a product if they know that the origin is sound."

Hubert Weber
President, Mondeléz Europe

was good that the government raised awareness of food wastage, I think it is harder doing business with food banks now that the government has had its influence."

Swiderski was one of the most entertaining speakers to take to the stage during the two days of the event, as he outlined the benefits of the 'Tous AntiGasp!' ('Together Without Waste') initiative that the retailer



Rising To The Challenge Hubert Weber, President, Mondeléz Europe, addresses the Summit. Below: Dave Lewis, Tesco, and Mike Coupe, Sainsbury's, put their differences aside.



COLOGNE

25th International Trade Fair for Retail Promotions and Imports

**7-9 March 2017
Cologne, Halls 6 and 9**

- 300+ international exhibitors
- More than 9,000 trade visitors
- 28.000 m² exhibition area

**Parallel to IAW:
Asia-Pacific Sourcing**



Order free IAW Trade Fair tickets online:
www.iaw-messe.de
info@iaw-messe.de | +49 441 / 9 20 70 777

has undertaken alongside the Gueules Cassées collective – one of the most eye-catching initiatives that *ESM* has seen in the past year (see interview panel on next page).

Forced Labour

Another of the key mega-trends up for discussion at the summit was that of forced labour, and while many in the audience may have considered it a topic associated with emerging and Third World nations, a sobering statistic from Houtan Homayounpour of the International Labour Organization (ILO) brought it close to home.

Some 4.2 out of every 1,000 European citizens are in modern slavery, Homayounpour noted, which is higher than in all other regions of the world. Thankfully, this is not going unnoticed by major industry players.

“Six years ago, the business community were afraid of talking to us,” Homayounpour explained. “They felt that if they engaged with us, they would be admitting guilt. Now, companies knock on my door proactively.”

Mondeléz Europe president Hubert Weber was among those to take to the stage to discuss the topic of forced labour, outlining the company’s Cocoa Life initiative, which aims to tackle the issue of child labour and its root causes by focusing on responsibly sourced palm oil.

“Our overall approach is to drive systemic change from the ground up,” Weber explained. “We believe the greatest impact will be achieved once we have a systemic mindset shift.”

Maintaining a sustainable supply chain, however, can lead to additional logistics costs – a topic addressed by Weber in the post-session Q&A. As he explained, when it comes to Cadbury Dairy Milk, “We spend more on cocoa than we would do if we bought the cocoa in the free market.”

As to who – retailers? consumers? – covers the additional cost involved in such sourcing, Weber admitted that it is often up to the supplier to absorb said charges. “[It is a] high upfront investment, but, over time, it pays back,” he noted, adding, “Hopefully, some day, we can come to a situation where consumers are willing to pay more for a product if they know that the origin is sound.”



Healthy Eating

In terms of the third mega-trend up for discussion – healthier communities – speakers included Barilla chairman Guido Barilla, president and CEO of Coop Sweden Sonat Burman-Olsson, and Danone chief executive Emmanuel Faber.

Picking up on the discussion between

4.2

of every 1,000 citizens are in some form of modern slavery, according to the IPO

240

Delegates in attendance at the Summit, the first in Europe

Sainsbury’s and Tesco’s respective CEOs, Coop’s Burman-Olsson said that, in her role as chairman of the Swedish Retail Grocery Association, she is encouraging all players in the industry to “forget about competition and work together to address issues such as allergens, sugar, salt levels, energy drinks, e-cigarettes” and other related health concerns.

A novel concept that the retailer has introduced is a campaign to raise awareness of the environmental impact involved in meat production. “You might think it’s contradictory,” Burman-Olsson told the audience, “but we recently developed a campaign in which the dialogue went like this: ‘Dear Meat, we have been together a long time, but we know our relationship is not good for the planet, so we should meet less often.’” The retailer has backed this up with two sets of recipe pages on its website: one for those who like to eat meat, and one for those who are seeking to move away from it.

At Danone, Faber said that he and his team have engaged more with communities

Q&A

BERTRAND SWIDERSKI, SUSTAINABILITY DIRECTOR, CARREFOUR GROUP

As sustainability director at Carrefour Group, Bertrand Swiderski (pictured with *ESM* editor Stephen Wynne-Jones) is responsible for assisting the retailer with developing a wide-ranging corporate social-responsibility strategy, involving key stakeholders. One of the most eye-opening initiatives introduced by the group was its tie-up with NGO Les Gueules Cassées, helping to develop a range of products, including cereals and Camembert cheese, derived from waste products left over in the production process, as part of the ‘Tous AntiGaspi’ (‘Together Without Waste’) initiative.



How did the discussion about Tous AntiGaspi come together?

We had a discussion with Nicolas Chabanne, the founder of Les Gueules Cassées, to examine what concrete things we can do to reduce food wastage. We needed to make sure that products created under the Tous AntiGaspi brand were actually waste products. For example, take a product like broken biscuits. Can you be sure that the product is actually waste from the production process, or is the factory just breaking them?

In addition, we are looking at categories in which waste products are not suitable for animal feed – cereals, ham, etc. – as you have allergen issues with them. Take Camembert, for example. What can you do with waste Camembert? You cannot turn it into a sauce or use it in a recipe – it just goes to waste, so that’s why it is a Tous AntiGaspi product.

Do consumers understand what you are trying to achieve with this range?

Consumers are used to having products on the shelves every day, but with this type of product, sometimes you don’t have anything to sell because you don’t produce as much waste. So you need to educate the consumer

that this is something that we are trying to do to reduce food waste, so sometimes you won’t be able to find the product.

For that reason, we do not have a marketing campaign behind this. Why would we engage in a marketing campaign if the product is only sometimes on the shelves, and if we were to engage in a marketing campaign, is it greenwashing or not?

It is important to mention as well that while these products are exclusive to Carrefour for a set period of time, after that, they will be available to everyone. It’s an open concept.

How did the discussion about Tous AntiGaspi come together?

We think differently. I think everybody needs to be encouraged to do more, from the consumer to the producer, and if it’s something that you have to pay for, that’s no encouragement at all. Take an apple producer, for example. Sometimes it’s cheaper to waste the product than to pack it. That’s why they leave many apples on the tree.

So, do you think encouragement on food-waste initiatives comes more from businesses like yourselves, rather than from the government?

Today, yes, but in the future, we have to have balance. We have to work together.

Greece
foodExpo
4th INTERNATIONAL FOOD & BEVERAGE EXHIBITION

18 - 20 MARCH '17 • ATHENS - GREECE

The Ultimate **Mediterranean**
FOOD & DRINK Trade Show!



1,200 Exhibitors • 45,000 m²

50,000 Food Traders • 2,500 Int'l Buyers

www.foodexpo.gr

ORGANIZED BY: FORUM SA
328 Vouliagmenis Ave., 173 42 Athens, Greece | T: +30 210 5242100 | E: foodexpo@forumsa.gr



Familiar Faces Clockwise from top left: Didier Bergeret, CGF Social Sustainability Director; Futurologist Adjiedj Bakas; Conrad Young, Food Fw Managing Director; Mike Coupe of Sainsbury's makes his point; The eco-friendly Summit stage; Mark Taylor of the Issara Institute.

on healthy-eating initiatives, as they understand the issue of obesity and health runs much deeper than the ingredients listed on a particular product.

"It's about thinking about the local community, which means you have to address not just what products they consume, but their overall diet," he explained. "We have a responsibility as food producers, and we have evidence that can help them make healthier purchasing decisions."

He added that he felt that the "industry needs to change the way it looks at nutrition", to be a "driving force", rather than a neutral observer.

Focus Sessions

Day Two of the summit moved away from broad trends, offering a deep dive into each of the three core categories at a series of breakout sessions. For example, at the breakout session on food waste, participants were divided into three groups, each boasting a food-waste expert, to plan and build a

food-loss and waste-mapping plan for their respective organisations.

This hands-on approach supplemented the dialogue of Day One and left delegates in no doubt as to how food-waste goals such as Champions 12.3 can be achieved going forward.

The forced-labour breakout session wel-

"I think everybody needs to be encouraged to do more. [...] Take an apple producer, for example. Sometimes it's cheaper to waste the product than to pack it. That's why they leave many apples on the tree."

Bertrand Swiderski
Sustainability Director, Carrefour

comed non-industry stakeholders, including civil servants, private-sector representatives and governmental organisations, to underline the need for greater cross-sector collaboration, while, in the breakout session on healthier communities, the role of retailers and manufacturers in 'inspiring consumers' to make healthier choices, as opposed to just looking at product reformulation, was emphasised.

It was an effective end to a summit that was a welcome addition to the retail calendar, emphasising the challenges inherent in achieving CSR goals. ■