

Organic industry urged to improve environmental credentials

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UK organic companies must take pro-active steps to prepare for the predicted impact of food miles and carbon footprint issues, according to Euromonitor International, if the organic industry is to retain its image for environmental concern.

Â A number of organic products have recently come under fire for generating large carbon footprints, with the UK Soil Association considering withdrawing its organic label from air-freighted goods. Analysts at Euromonitor International believe that organic food and beverage players need to stay ahead of the game by labelling their products with their carbon footprint, in order to succeed in the UK's booming organic market.

In 2006, value sales of organic chocolate reached Â£59 million in the UK, making it the world's second largest market behind Germany, as well the world's fastest growing market, recording an impressive 28% increase from 2005. Similarly, sales of organic tea have trebled to Â£22 million since 2002, while organic coffee has grown at the phenomenal rate of 327% over the same period.

Simone Baroke, Health and Wellness Analyst from Euromonitor International comments, "Organic imports are indisputably driving growth in many saturated packaged food and drink sectors. For this dynamism to continue in the long-term, organic players must be proactive in terms of carbon labelling".

Carbon labels most effective solution Euromonitor International believes that adopting the carbon label presents the best possible solution for industry players, while meeting the demands of concerned consumers who want to be informed about the carbon footprint of the products they are buying.

Euromonitor's Baroke explains, "Carbon labelling is the most effective way of displaying the energy expenditure required in bringing a product to market. It would also illustrate that most packaged food and beverages that are shipped in from far away, are by no means the worst offenders where carbon footprints are concerned".

What is carbon labelling? The carbon label is a voluntary scheme set up by the UK Carbon Trust, funded by Defra, in order to commit manufacturers to reduce their carbon footprints. The scheme involves a rigorous carbon analysis of the entire supply chain of a product. The carbon footprint is then displayed as a numerical value on the carbon label, allowing consumers to compare products.

In January 2007, Tesco declared that it would be the first supermarket to carbon-label every product, although there is no firm indication as to when this will be implemented.

The Soil Association, the UK's foremost organic certification body, has launched a consultation process, offering five options on how to deal with the large carbon footprints that a number of organic products are leaving when they are flown in from distant countries. While some of the proposed solutions fail to tackle the problem in its entirety, it is a clear indication that the industry needs to sit up and take action as soon as possible.

For further detail about this article and other related findings, please visitÂ Euromonitor International by clicking here.