

FDF RECEPTION 8 December 2010

Speech by Ross Warburton, FDF President

TAKING OUR AMBITION TO THE NEXT LEVEL

Good evening ladies and gentlemen.

And welcome to this year's Food and Drink Federation Reception.

I think I mentioned last year that one of the few perks of being FDF President is that you get to buy all of the drink for this event. The good news – at least as far as Warburtons' Finance Director was concerned – is that each FDF President only serves a two-year term of office, so this is the last time you will be drinking at my expense!

In 2011 that privilege will rest with Jim Moseley of General Mills who takes over the role of FDF President in January. I know he will be a great champion of our industry and will work hard on behalf of our members – as he has already done for many years as an officer of FDF. I wish him all the very best for his term of office – and look forward to drinking at *his* expense this time next year.

I'd like to take this opportunity to thank not only Jim, but all my other President's Group colleagues who have supported me during the last two years. Nick Bunker of Kraft, who led our competitiveness steering group in its early days; John Sutcliffe, our erstwhile environmental champion; Paul Freeston, our Treasurer; Jonathan Bye, our SME representative on Excom; and last but not least, our chair of the Health and wellbeing steering group (and we have kept her busy, for sure) Fiona Dawson.

We have had to deal with challenging times in our industry over the last two years, but I do believe we have made real progress – not only in our public profile, but also in the productive way we now engage with regulators, Government and other stakeholders. We would not have made this progress without the herculean efforts of all the team at FDF and on your behalf I offer them my heartfelt thanks.

These efforts are none more visible than in the work we have been doing to reduce the sector's environmental impact, particularly the progress we have made collectively under the auspices of the Five-fold Environmental Ambition.

When the Food and Drink Federation launched its Five-fold Environmental Ambition way back in 2007, one leading campaigner remarked – with (I think) his tongue lodged firmly in his cheek – that member companies must have thought FDF had lost the plot in making sector-wide commitments around carbon, water, waste, packaging and transport.

But we have always believed that those food and drink manufacturers that embraced this agenda – by focusing on the areas of their business over which they had most control – would discover that what was good for the environment was nearly always good for their bottom line as well.

Our experience over the past three years has borne out that belief – with member companies reporting significant reductions in their environmental impacts, typically achieved by driving greater operating efficiencies through their businesses.

Our latest progress report – which you should have received when you came into tonight's reception – demonstrates what we have achieved to date.

For instance: we are today announcing that member companies have reduced their carbon emissions by 21% since 1990; a significant achievement.

The number of signatories to the Federation House Commitment on water now stands at 42 – and these businesses saved more than two million cubic metres of water in 2009.

And our second waste survey among members – carried out with the support of Defra – shows that the amount of food and packaging waste being sent from factories to landfill has nearly halved in three years and stands at just 9%;

But we are not going to sit on our laurels.

We are today announcing that we have updated our targets to challenge the sector to go further and faster across all five pillars of the Ambition.

On carbon, for instance, FDF members are now committing to reduce their emissions by 35% by 2020 compared to a 1990 baseline – ahead of the Government's current climate change targets.

We realise that in a more resource-constrained future, the industry is going to have to do more to encourage greater efficiency of resource use. Very simply, more will need to be produced with less – and with less impact – if we are to ensure that sustainable food and drink production can be at the heart of a strong, internationally-competitive, low-carbon UK economy.

Food and drink manufacturers need to look beyond their own businesses and examine their impacts across the supply chain. From the responsible sourcing of ingredients, to the impacts of agricultural production on biodiversity, we need to take more account of the bigger sustainability picture.

We also need to think more carefully about the behaviours of our consumers – food waste in the home has a much bigger impact than packaging and transport put together, and for many products the way in which people store and cook our products probably accounts for more carbon emissions than the manufacturing process itself.

We believe that a combination of new targets – and this new thinking – will help us to work with many of you to take our Five-fold Environmental Ambition to the next level. After all, I think we all recognise that business as usual is no longer an option.

That future work will be led by FDF's Sustainability Steering Group, which under the chairmanship of John Sutcliffe from Associated British Foods directed our efforts this year to refresh our Ambition. John has recently retired from ABF, but I wanted publicly to thank him and his colleagues on the Steering Group for all their hard work on behalf of the industry. Nick Bunker from Kraft Foods has kindly agreed to step into John's shoes and will play key role in helping to drive our work forward in the years ahead.

The other key player in these debates is, of course, Government.

So I am delighted that we are able to welcome Jim Paice – Agriculture and Food Minister at Defra to our Reception this evening.

I think all of us in food and drink manufacturing appreciate the support that Jim and his colleagues have given our sector.

And as Jim notes in his foreword to the year's report we share a common vision for the future – that of ensuring we have a competitive and resilient industry here in the UK providing British consumers with safe, healthy and sustainable food.

Jim says he is happy to take up our invitation to work with us – and others across the food chain – to turn our aspirations into concrete action.

I look forward to hearing his thoughts on how we do that.

So – please join me in welcoming Jim Paice to the podium.