



Food & Drink Federation

AMBITION 2025

Shaping Sustainable Value Chains

MID-TERM REPORT

fdf food & drink
federation
passionate about food & drink

FOREWORD

Introducing the **Ambition 2025 Mid-Term Review Report**

Over the past decade, environmental targets to achieve a sustainable food supply chain have always been important and activity around these targets has increased dramatically to a point today where it is at an all-time high.

A competitive and sustainable UK food and drink manufacturing sector has the potential to make a real contribution to future food security and sustainable growth. I am particularly proud to see that our members' work against the original Ambition 2025 targets, set out in 2016, has led to great progress including the fact that we have achieved our CO₂ emissions target five years early.

As part of the FDF's Ambition 2025, we committed to undertaking a mid-term review of Ambition 2025 in 2020 to ensure that the targets set reflected an array of considerations including Government priorities, policy changes and consumer behaviour changes.

The report you are about to read highlights our continued commitment to making a real contribution with sustainability and environmental initiatives, showcasing our new commitments to continue to build on our achievements to ensure our overall ambition of a more sustainable food and drink industry.

It gives me great pleasure as Chief Scientific Officer of the FDF to share with you our Ambition 2025 Mid-Term Report, outlining the achievements our members have made against the original targets set out in 2016, and what our progressive, forward-thinking targets will be.

Helen Munday
FDF's Chief Scientific Officer



INTRODUCTION

OUR VISION:

A thriving and sustainable UK food and drink industry that acts responsibly for the benefit of society and the environment.

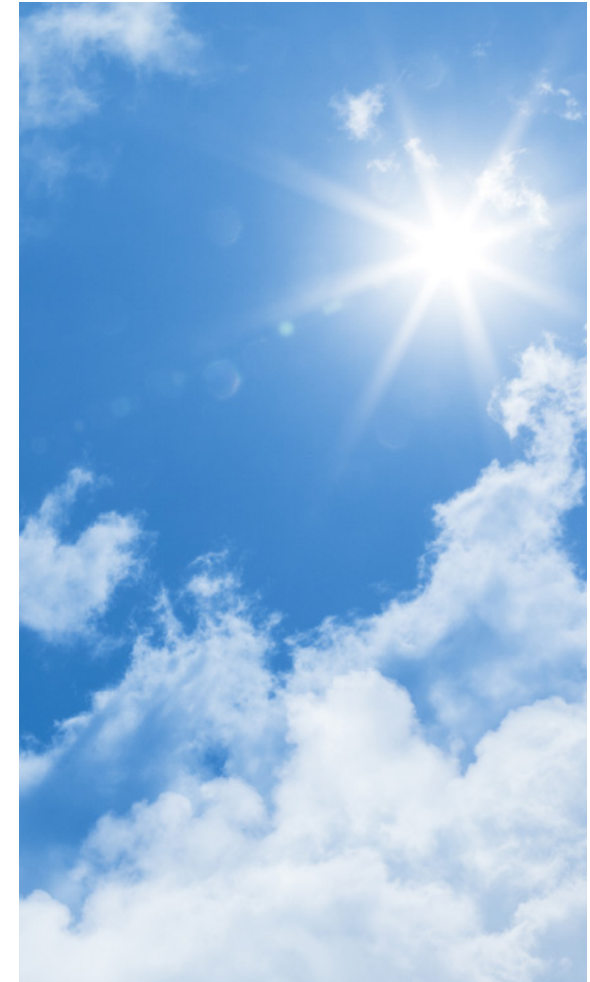
OUR AMBITION:

As the UK's largest manufacturing sector we will lead on collaborative transformations within the food and drink supply chain that enhance productivity and deliver environmental and social benefits to ensure safe, nutritious, affordable and sustainable food for all.

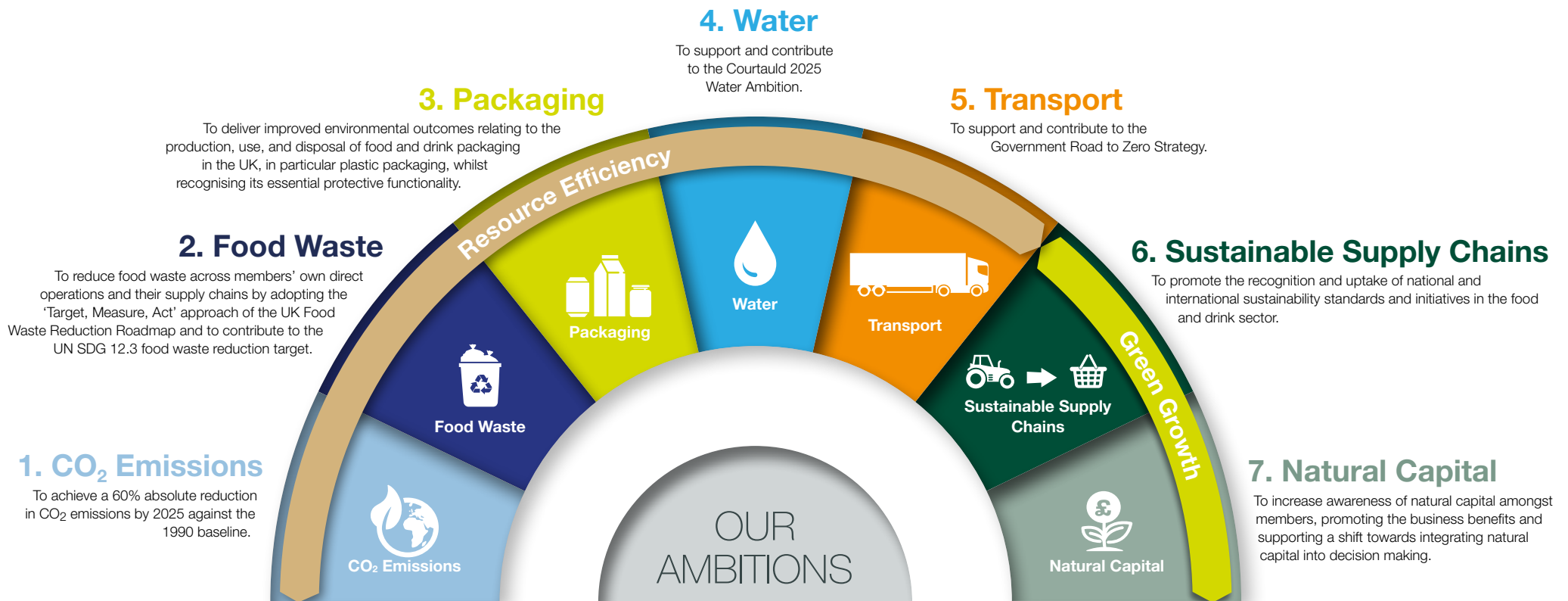
FDF's [Ambition 2025 – Shaping Sustainable Value Chains](#) (A2025) was published in October 2016 to build on the success of our Five-Fold Environmental Ambition (FEA), as the next step on our journey to help deliver a more sustainable food system. We committed to undertake a mid-term review of Ambition 2025 in 2020 to ensure it reflects changes in the consumer, political,

and regulatory landscape. Following a year-long consultation and development process, this report presents our revised ambitions, which will take effect from January 2021 for the purposes of activity and reporting.

The Ambition is predominantly focused on environmental sustainability as this is where we as a sector believe we can make the biggest positive impact, with an emphasis on collaborative action. As such it comprises two key elements: Resource Efficiency and Green Growth, supported by wider FDF work on nutrition, social and economic issues. As a result of our review process, we have put an emphasis on engagement and collaboration with external stakeholders, agreed frameworks, and identified directions of travel. We also wish to highlight areas of influence and overlap between topics, such as the concept of a 'sustainable, healthy diet'.



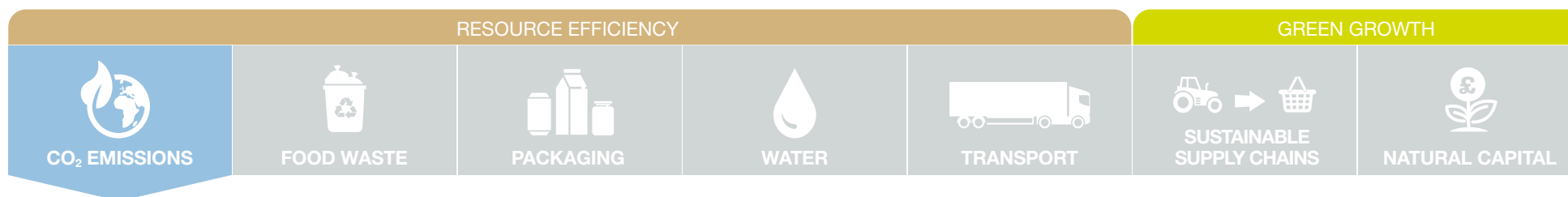
OUR AMBITIONS



OUR ACHIEVEMENTS TO DATE:

(See our [2020 progress report](#) for full details)

CURRENT AMBITION	CO ₂ EMISSIONS	FOOD WASTE	PACKAGING	WATER	TRANSPORT	SUSTAINABLE SUPPLY CHAINS	NATURAL CAPITAL	CURRENT AMBITION
	Achieve a 55% absolute reduction in CO ₂ emissions by 2025 against a 1990 baseline.	Send zero food waste to landfill from members own direct operations and reduce food waste across the whole supply chain from farm to fork, including within members own operations.	Minimise the impact of used packaging associated with food and drink products and to encourage innovation in packaging technology and design that contributes to overall product sustainability.	Deliver continuous improvement in the use of water across the whole supply chain and take action to ensure sustainable management and stewardship whilst contributing to an industry-wide target to reduce water use by 20% by 2020 compared to 2007.	Reduce the environmental impact of our members' transport operations, whether from own fleet operations or third-party hauliers, in terms of both carbon intensity and air quality aspects and embed a 'fewer and friendlier food miles' approach within food transport policies.	To promote the recognition and uptake of sustainability standards and initiatives in the food and drink sector.	Work to increase awareness of natural capital amongst members, promoting the business benefits and supporting a shift towards integrating natural capital into decision making.	
2020 PROGRESS	FDF members reported an absolute reduction of 55.5% in CO ₂ emissions from their use of energy in manufacturing operations in 2019, compared to the 1990 baseline.	FDF members have contributed to further progress under the Food Waste Reduction Roadmap Progress Report 2020 . The Report showed that Roadmap members contributed to 180,000t of food (worth £300 million) being saved from becoming waste. 37 FDF members are now signatories, with 34 of these providing evidence of implementing Target, Measure, Act.	FDF and several members are founding signatories to the UK Plastics Pact . The Pact's annual report published in December 2020 shows the progress being made against targets and included case studies from several FDF members.	Between 2007 and 2019, reporting FDF members reduced their absolute water consumption by 41.5%; the amount of water consumed per tonne of product was reduced by 44.5% over the same period.	FDF continues to promote the fewer and friendlier food miles agenda, encouraging the implementation of FDF's 10 Point Checklist for Greener Transport .	FDF has updated the Sustainability Resource Hub web tool containing information on voluntary certifications, collaborative platforms and practical tools available to businesses looking to further their sustainability agenda.	FDF continues to work with its member companies to understand and protect natural capital, especially considering the 25-year environment plan, which places natural capital at the centre of future environmental policy.	2020 PROGRESS



CO₂ EMISSIONS AMBITION

To achieve a **60% absolute reduction in CO₂ emissions** by 2025 against the 1990 baseline.

FDF's commitment to deliver absolute reductions in CO₂ emissions from energy use in our UK manufacturing operations has been a key cornerstone of Ambition 2025 and has delivered an impressive 53.2% reduction by 2018 from the 1990 baseline.

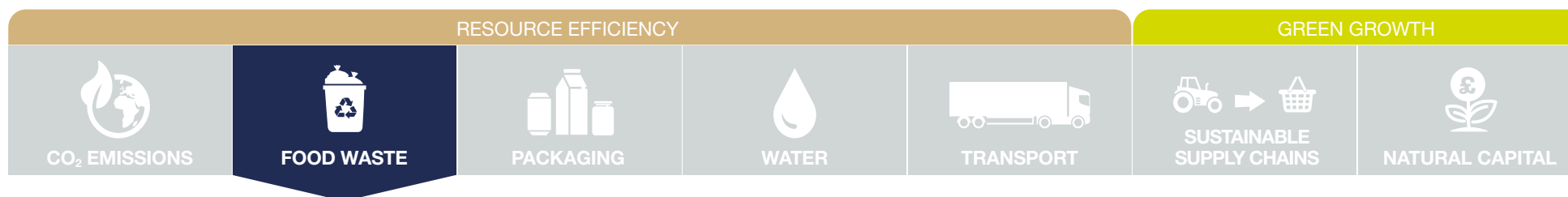
We are now setting a revised ambition of achieving a 60% reduction by 2025, in line with our earlier commitment to revise the target in light of progress and market developments. The new target demonstrates our commitment to the sectors decarbonisation to net zero by 2050, the target government set in June 2019. For a subsequent 2030 ambition, we will be using **science based** targets, and are actively involved with key industry stakeholders such as WRAP, Department for Business, Energy and Industrial Strategy (BEIS) and the Climate Change Committee on the decarbonisation roadmap for the sector.

We will assess and report progress towards the revised 2025 target on an annual basis.

Progress to date has been driven by a number of factors such as fuel switching, industry rationalisation and investment in new energy efficient equipment and low carbon technology. Delivering further reductions will require greater focus on new technology, process design and low carbon energy sources – particularly for heat production (see the [FDF/SLR report on decarbonising heat](#)). Central to this will be the need to work with BEIS during 2021 on the development and delivery of actions to help the sector meet its net zero targets, of which the forthcoming Industrial Decarbonisation Strategy from BEIS expected in Spring 2021 will be key. FDF is also working with its members to develop its narrative on net zero and a green recovery, which will be used to feed into Government and wider stakeholders. A key priority for 2021 will also be the development

of a roadmap to net zero for the sector ahead of COP26.

Looking outside of our own operations we recognise the UK food supply chain - from production to consumption – accounts for about 20% of UK greenhouse gas emissions. To target these wider food chain emissions, as a signatory to WRAP's Courtauld 2025 initiative, we fully support and will contribute to the commitment's target of achieving a 20% per person reduction in the greenhouse gas emissions associated with the production and consumption of food and drink in the UK. Courtauld targets are also now under review to align with the emissions trajectory for net zero in 2050. This work will complete during 2021 and will be able to inform interim carbon targets for 2030 and beyond.



FOOD WASTE AMBITION

To reduce food waste across members' own direct operations and their supply chains by adopting the 'Target, Measure, Act' approach of the UK Food Waste Reduction Roadmap **and to contribute to the UN SDG 12.3 food waste reduction target.**

Specifically, FDF members aspire to best practice that involves:

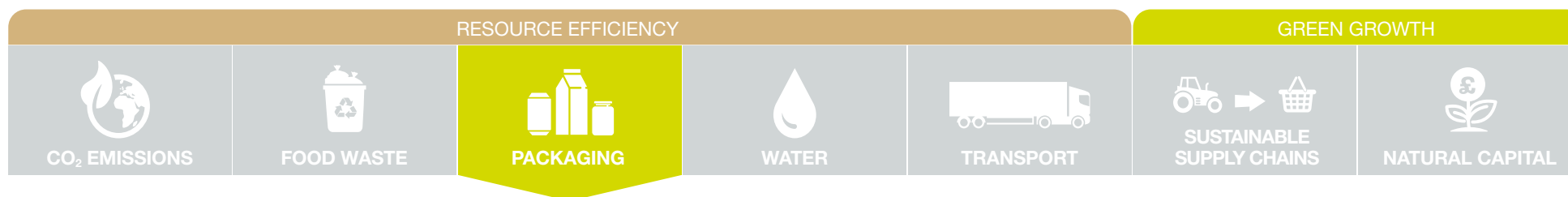
- ✓ **Setting a food waste reduction target for their own operations and reporting results on an annual basis, or working towards this goal**
- ✓ **Engaging with their suppliers to 'Target, Measure and Act' (TMA) on food surplus and waste**
- ✓ **Maintaining our zero food waste to landfill ambition with regards to their own direct operations**

FDF members supplying data met the FEA target of sending zero waste to landfill by the end of 2015, as was first reported in 2016. Under A2025, our target has been to maintain that achievement every year since then. Our recent progress reports have focused on contributions to other targets and campaigns, notably Courtauld 2025, the UK Food Waste Reduction Roadmap, and Step Up to the Plate.

This new target highlights our commitment to support members' individual activities as well as our support for the overall direction of travel as framed at national and international level by the UK Food Waste Reduction Roadmap (FWRR) and the UN SDG 12.3.

Food manufacturing businesses differ significantly in the source and volume of food waste based on their type of business. Therefore, we champion the 'Target, Measure, Act' approach as this allows each member and their suppliers can take and demonstrate action on the issue that is relevant and proportionate to their business.

FDF and its members will continue to be involved in the work of Courtauld 2025 and the target to reduce UK food waste by 20% by 2025 per capita against a 2015 baseline.



PACKAGING AMBITION

To deliver improved environmental outcomes relating to the production, use, and disposal of food and drink packaging in the UK, in particular plastic packaging, **whilst recognising its essential protective functionality.**

In particular to do this through our support for:

- ✓ **UK Governments' programme of packaging producer responsibility reform, including the introduction of a Deposit Return Scheme and consistency in household and business collections**
- ✓ **Governments' proposals to introduce a UK wide recyclability labelling scheme**
- ✓ **Additional 'producer' funding visibly contributing to long term infrastructure investment and planning**
- ✓ **Improvements in UK reprocessing capacity and the authorisation of recycling processes to allow for more food grade recycle**

- ✓ **The work of the UK Plastics Pact including contributing to the target that 100% of plastic packaging be reusable, recyclable or compostable by 2025**

- ✓ **Research and innovation to improve packaging design and increase recyclability**

- ✓ **Maintaining our zero packaging waste to landfill ambition**

This new ambition underlines our overall commitment to delivering improved circular economy outcomes for food and drink packaging, including by working collaboratively with other stakeholders. Much of this will be delivered through our ongoing support for the current Government programme of packaging producer responsibility reform and related policy measures, as well as the

UK Plastics Pact. However, we also recognise that this is an evolving issue, politically, legislatively, and technologically.

FDF and our members will contribute proactively to these developments while recognising the important role that packaging plays in maintaining the quality and safety of food and drink and thereby preventing food waste.

We are currently in a period of policy reform which is likely to take at least the next few years to complete. Our progress will be measured by our contribution to these reforms as well as the research, innovation, engagement, and implementation work done to support them.



WATER AMBITION

To support and contribute to the
Courtauld 2025 Water Ambition.



Since the launch of the Ambition 2025, reporting FDF members reduced their absolute water consumption by 41.5%; the amount of water consumed per tonne of product was reduced by 44.5% over the same period. There is one final reporting year for our quantitative target.

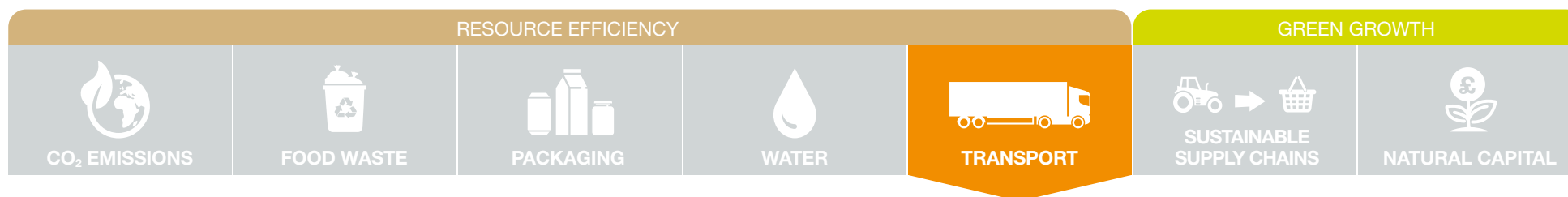
Global demand for water is increasing, putting pressure of fresh water supplies and ecosystems. While there is significant regional variation in water challenges, the global supply of fresh water is coming under increasing pressure. In the UK, several areas are already water stressed, with water quality also an issue. Increasing demand for water, and greater water scarcity as a result of climate change, already threaten sustainable production. Efficient use of water across the food and drink supply chains is not just an environmental goal, but a sound business decision.

FDF has also worked with WRAP and other stakeholders to develop a target on water within Courtauld 2025. In 2018, the FDF and several member companies became supporters of the Courtauld 2025 Water Ambition. This commits signatory businesses to monitor water use in their own operations, improve efficiency and participate in collective action to improve the quality and availability of water in key sourcing areas by 2025.

So far, the Courtauld 2025 Water Ambition has mobilised 6 catchment projects across the UK, South Africa and Kenya, reaching more than 500 suppliers to target action and with >£1.5 million direct and leveraged funding.

Going forward, the FDF will work with WRAP as they look to develop a Water Roadmap for businesses, modelled on their approach to food waste.

The FDF continues to engage with government and regulators on the Water Abstraction Plan 2017 and National Framework for Water Resources. Both documents encourage a more local response to water resource challenges. We engage with the Environment Agency through the CaBA Abstraction Working Group.



TRANSPORT AMBITION

To support and contribute to the
Government Road to Zero Strategy.

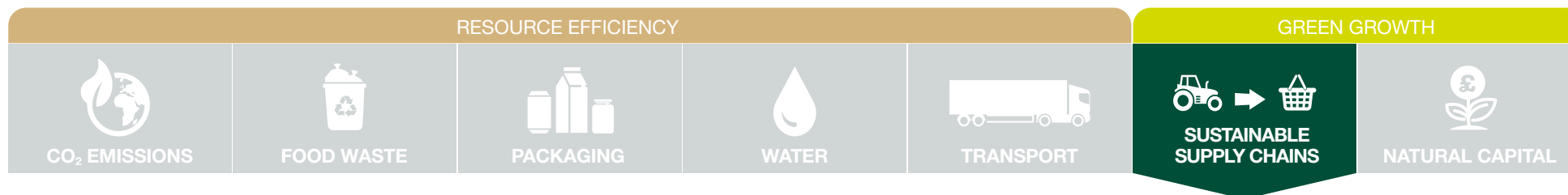
The importance of reducing the environmental impact of transport, in terms of both carbon intensity and air quality, has long been recognised as a pillar of the FDF's Ambition 2025 programme. Our members have been committed to making progress in both their own fleet operations and via third-party hauliers by embedding a fewer and friendlier food miles approach through the application of our 10 Point Checklist for Greener Transport.

Government published their Road to Zero Strategy in July 2018, setting out 46 policies to achieve Government's long-term ambition to put the UK at the forefront of the design and manufacturing of zero emissions vehicles. The strategy includes a

range of policies for un uptake of electric vehicles, including the development of infrastructure to support this transition. The strategy also includes a section on HGVs and road freight, including a new voluntary industry-supported commitment to reduce HGV greenhouse gas emissions by 15% by 2025, from 2015 levels.

To meet Government's net zero target decarbonisation of the transport sector is key. In March 2020 Government published their Decarbonising Transport: Setting the Challenge document which marks the start of a process towards a Transport Decarbonisation Plan; it aims to provide a clear view of where we are today and the size of emissions reduction that is required.

Going forward, the FDF will engage with our members and other stakeholders, such as Logistics UK, to contribute to and support Government in their ambition. As part of this process, we will review our 10 Point Checklist for Greener Transport to ensure that it remains fit for purpose and still reflects the priorities of our members.



SUSTAINABLE SUPPLY CHAINS AMBITION

To promote the recognition and uptake of **national and international sustainability standards and initiatives** in the food and drink sector.

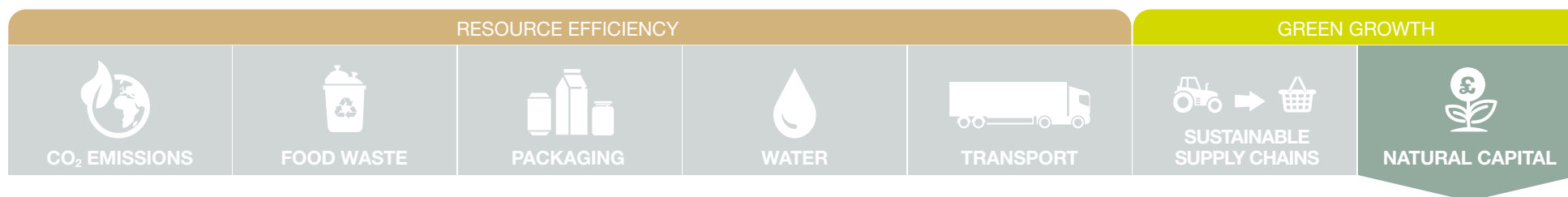
The sustainable supply chain ambition was introduced in 2016 as a new area for FDF. The previous Ambition stated that FDF will promote the recognition and update of sustainability standards and initiatives. This has predominantly been achieved through the FDF [Sustainability Resource Hub](#).

This new target retains the same objective but expands the scope to both national and international standards and initiatives. This change was made in recognition of the valuable work being done under Courtauld 2025 and the National Food Strategy, as well as the UN SDGs and the UN Global Compact. There have also been recent developments on deforestation and due diligence for forest risk commodities, with new legislation now included in the Environment Bill.

While FDF's remit is UK food and drink manufacturing, the priorities and frameworks that shape that industry are inherently international, given the inter-connected nature of many food and drink supply chains. We also recognise that certain aspects of sustainable supply chains are transboundary, such as water, carbon, pollution, etc.

Progress towards this ambition will be demonstrated by the provision of guidance for our members and the industry as well as member company involvement and commitment to existing standards and initiatives. It will also reflect new developments and best practice as they emerge.





NATURAL CAPITAL AMBITION

To **increase awareness of natural capital amongst members**, promoting the business benefits and supporting **a shift towards integrating natural capital into decision making.**

Natural capital is an economic metaphor for the limited stocks of physical and biological resources found on earth. It consists of land, air, water and living organisms that provide the goods and services we use and depend on. Food and drink businesses rely on natural capital, including services such as pollination, flood management and climate regulation. They also have an impact through land and resource use, greenhouse gas emissions, supply chain impacts and investment decisions.

The business case for adopting a natural capital approach is multifaceted, and likely to grow given its inclusion in the Governments 25 Year Environment Plan and as future policy develops, as enabled through provisions in the Environment Bill.

Through the Ambition 2025, FDF works with members to understand and protect natural capital; including soil health, biodiversity and water stewardship. The FDF joined the Natural Capital Coalition in 2015 and helped to deliver the first Natural Capital Protocol and Food Sector Guide. The FDF also published its own Natural Capital Guidance, which we updated in 2018.

Natural capital remains a priority for our members. As we take our Ambition 2025 forward, we will remain engaged with the Natural Capital Coalition and seek to establish new partnerships, such as with We Value Nature. The FDF will also work more closely with our professional affiliates. Also, we will review our Natural Capital Guidance to ensure that it is fit for purpose and still reflects the priorities of our members.

