



# Soil Association

## Air freight consultation – recommendations for standards

March 2008

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## 1. Executive summary

This consultation paper sets out the recommendations made by the Standards Board to address the use of air freight to transport organic produce. The range of integrated measures recommended here take account of both the socio-economic benefits of trade facilitated by air freight and the contribution this will have to climate change if growth in air freighted products continues. The recommendations are set in the context of the Standards Board's conclusions following an extensive public consultation in 2007, during which we received over 130 responses from individuals and talked to or heard from around 150 organisations.

This consultation paper is the starting point for us to hear your views on whether the recommendations outlined here address the issues of social equity and environmental sustainability that are central to the debate about air freighted organic produce in an adequate and proportionate way.

### 1.1 The proposal in brief

The approach proposed is intended to enhance and promote the social and economic benefits that are linked with the responsible use of air freight, whilst setting a trajectory for reducing its use over time. In adopting this approach the Standards Board is recognising that at present air freight plays a unique role in facilitating trade in high-value goods. The main focus of the recommendation is on fresh produce from developing countries, which makes up the majority of organic air freight. However, in the interest of promoting an inclusive global market for organic goods, produce from developed countries would also be able to meet the recommended standards.

The Standards Board propose that air freighted, organic produce:

- meet the Soil Association Ethical Trade standards or similar fair trade standards such as those of the Fairtrade Foundation.
- is monitored by licensees and the information is submitted as part of the annual organic inspection, and
- is the subject of a plan for reducing the amount of air freight, where possible.

In addition to these proposed changes to the standards the Soil Association will continue to work with organic companies, scientists and NGOs to assess and reduce the carbon emissions from the full life cycle of all organic farming and food. The priority is to work with the Carbon Trust on their efforts to arrive at a reliable and comprehensive system of assessing the full carbon footprint of all food.

The Standards Board is committed to providing the public with clear and meaningful information about both the environmental and the social impact of air freighted organic food. When a suitable carbon labelling scheme is available, the Standards Board recommend we consult on the possibility of incorporating it within Soil Association organic standards. However, this is likely to be a few years away and we are being encouraged by some to think about what we might do in the interim. In a similar 'open' style to the first round of the consultation, we would like your suggestions on how we might approach this and want to

discuss with you what kinds of consumer information and labelling, if any, we might consider as interim measures.

Throughout the air freight consultation the Soil Association's position on air freight was regularly misreported. Despite some of the headlines suggesting the contrary, the Standards Board concluded that a ban on air freight would be a totally inappropriate response to people's legitimate concerns over greenhouse gas emissions. Instead, the Standards Board consider that maintaining market access for producers in developing countries should be central to the recommendations. Because of the misreporting, we feel it necessary to state explicitly that this approach will not change in the coming years.

## 1.2 Next steps

- We will consult on the specific changes to the standards proposed here and on related issues. The consultation will close on the 30<sup>th</sup> May 2008.
- The Soil Association's independent Standards Board will make recommendations to the elected Soil Association Council based on the responses to the consultation.
- We will publish any resulting changes to the standards in January 2009 accompanied by a timetable for implementation.

## 2. Key facts

- Air freight is predominantly used to guarantee a year round supply of fresh fruit and vegetables – 96% of organic air freight is fresh fruit and vegetables imported out of season. A small minority of products are air freighted to top up normal supply.
- Air freight grew by 140% between 1992 and 2002 marking a boom in sales of fresh produce all year round.
- Air freight accounts for less than 1% of all food miles travelled by the UK's food, and 11% of the green house gas emissions from all transport of UK food.
- Air freight is the fastest growing sector of the aviation industry. The growth rate has increased in the past year due to unpredictable weather disrupting the growing season in Europe.
- A consignment transported by air can have a global warming potential 177 times greater than the same consignment going by sea.
- Greenhouse gas emissions from the UK's aviation industry, of which air freight is a minor but integral part, are predicted to equal the emissions target for the whole UK economy by 2036.

- The speed at which aeroplanes can transport food around the globe allows producers in developing countries to earn a premium for fresh produce that is too perishable to spend several weeks on a container ship. It can also enable businesses to add value to crops by cutting, processing, and packing in the country of origin.
- 80% of air freighted organic fresh produce is grown in less developed countries. A rough estimate suggests 21,500 people in developing countries currently rely on Soil Association certified, air freighted organic goods for their livelihoods.

### **3. How Soil Association standards are set**

The Soil Association Organic Standards enable sustainable agriculture principles to be put into practice. Standards respond to changes in the environment in which they are used; and come as close to consumers' aspirations as is reasonably and practically possible. In doing this, standards (and their implementation through certification) give purchasers trust and confidence in organic production by maintaining and, where possible, enhancing the integrity of the system they define. Standards enable and empower both purchasers and producers to support sustainable practice in the market place, and so help to expand the organic market, and therefore to spread organic farming.

To achieve all this, standard setting must encompass high standards of governance and be accountable to those with an interest in the standards. The Soil Association has established a Standards Board under independent chairmanship with a balance of lay and industry representation. The Standards Board is responsible for making recommendations for new and changed standards, after proper consultation with interested parties.

### **4. Summary of the first round consultation**

In 2007 the Standards Board held a four month public consultation asking for people's views on whether we should address the environmental impact of air freight in the Soil Association Organic Standard. The aims of the consultation were to:

- gather more information on the role air freight plays in organic food distribution
- improve our understanding of the socio-economic benefits organic air freight delivers
- explore the options available and their implications.

We received over 200 written submissions. The majority, roughly 130, of the on-line submissions were from members and the general public. We also received 24 submissions from NGOs, 28 responses from industry and five responses from government and international agencies. In addition to written submissions we heard from around 100 organisations through meetings, working groups and seminars.

The consensus view from all groups consulted was that the Soil Association should do something, but there were clear differences of view about what. The strongest view expressed was that development should be a key consideration when addressing air freight. Across the spectrum, many respondents specifically stated the importance of promoting organic

agriculture in developing countries as a means of alleviating poverty and preventing environmental degradation.

Alongside this it was felt there needs to be a gradual shift to policies and practices that reduce the need for air freight in the supply of organic food. Businesses should be aware that, given the ever increasing influence of climate change on buying behaviour and legislation and the resource constraints caused by peak oil, the long-term viability of a business model reliant on air freight is highly questionable.

The consultation also indicated that we should look at carbon more generally. The carbon footprint of air freighted products should be considered in relation to the rest of the sector and in the context of emissions from the full life cycle of the product, from production to consumption.

(To read a more detailed overview of the first round of consultation read the Standards Board Feedback Statement.)

## 5. Proposed changes to Soil Association organic standards

The proposed changes to the standards consist of three main elements which are outlined below along with the aims and objectives of each, how they would be implemented and some of the risks and benefits of the approach proposed. (See appendix A for how these changes, if agreed, would be included in the Soil Association standards.)

### 5.1 Monitoring the use of air freight

Proposal: For air freighted products and ingredients, licensees must record:

- what was air freighted
- the quantity
- the country of origin
- the port and date of entry into the EU

The consultation and the research that it prompted has given us a much better understanding of how much and how often organic food is air freighted. The available information indicates that a small minority, less than 1%, of imported organic food is air freighted. However, we are far from having a comprehensive picture of air freight in organic food supply and most importantly we need to be able to assess how this changes over time.

Monitoring air freight will initially give us better information on the importance of air freight for particular products. This information will give us a clearer understanding of key trends and drivers in the use of air freight. Current figures, which don't make a distinction between organic and non-organic, show air freight is growing rapidly. Within this overall growth rate there are undoubtedly differences between organic and non-organic and more subtle trends, such as the use of air freight to respond to ever more unpredictable weather patterns, and areas where its use is decreasing.

### Implementation

Licensees that air freight produce will be asked to record and submit their use of air freight at their annual inspection. For licensees that regularly rely on air freighted produce they would be asked to submit information at inspection on which products are air freighted, the volume, the country in which they were produced, and the date and port of entry into the EU. Licensees that air freight produce infrequently, in response to unexpected demands on normal supply, will be required to submit the same information on an occasional basis.

We have been told that in some circumstances it will be difficult for suppliers in the UK to identify whether produce they import has been air freighted. In particular when buying fresh produce from a wholesaler elsewhere in the EU who may be unwilling or unable to provide information on the mode of transportation. Where the licensee is uncertain as to whether or not fresh produce has been air freighted they will be asked to tell us this and submit the country of origin and the port and date of entry into the EU. This will allow us to ascertain how significant the difficulty is, and whether we need to do anything to address it in future.

### Risks and Benefits

There are widespread misconceptions about the prevalence of air freight for organic food. The benefit of ongoing monitoring would be having comprehensive data to help us understand and communicate with confidence how much, or how little, organic food is air freighted. The main disadvantage to monitoring air freight is the extra record keeping and paper work that businesses will need to process for inspection.

With climate change rapidly developing and new research being done into the socio-economic benefits of air freight, the debate is constantly progressing and it is essential we move forward against a background of solid data.

## **5.2 Linking air freight with Soil Association Ethical Trade**

Proposal: From 1 January 2011 all organic produce certified by Soil Association Certification Ltd. (SACL) that is imported by air must comply with Soil Association Ethical Trade standards or equivalent fair trade standards such as those of the Fairtrade Foundation.

The aim of requiring air freighted produce to be Ethical Trade or fair trade certified is two fold:

- firstly, Ethical Trade and fair trade certification will guarantee businesses are delivering optimal social and economic benefits
- secondly, this certification will clearly communicate to consumers who are concerned about the carbon emissions that air freighted organic produce is having a positive development effect

### Implementation

Licensees would be required to have the products they air freight meet Ethical Trade standards or equivalent fair trade standards from 2011. The target date is intended to give licensees enough time to progressively work to full compliance by 1 January 2011. (For more detail on Soil Association Ethical Trade see appendix B.)

### Risks and benefits

The Soil Association Ethical Trade mark would provide a transparent and robust way of balancing the environmental impact of air freight with clear social benefits. Many of the organic businesses that air freight have exemplary social initiatives and make significant contributions to local and national economies where the goods are produced. However, these benefits are not usually effectively communicated to consumers. Labelling air freighted products as ethically traded would communicate these benefits to consumers. Requiring Ethical Trade standards be met by all businesses air freighting organic products would guarantee the entire trade is having a positive social, economic and local environmental impact.

We understand that there will be a cost attached to this additional certification and potentially some difficulties in demonstrating compliance to Ethical Trade or equivalent fair trade standards. Overall we believe the market benefit will make this worthwhile. We would like to hear from licensees about their concerns in relation to cost and process, so that we can work with them to alleviate these wherever possible.

The Standards Board has committed to integrating Ethical Trade standards into the organic standards, so that over time all Soil Association certified organic products will meet Ethical Trade standards, whether or not they are air freighted. This is because we believe social equity and fairness are integral to organic food and farming. We recommend here that air freighted organic produce move along this path more quickly because of the concerns raised by consumers and environmental groups over air freight's carbon emissions.

### **5.3 Reducing the need for air freight**

Proposal: Soil Association licensees that air freight produce must have a plan, approved by Soil Association Certification Ltd (SACL), for reducing their use of air freight. The plan must clearly state how the reduction will be achieved and to what timescale. The plan would be devised by the licensee and approved by SACL.

Our goal is to minimise the use of air freight for organic products and to encourage businesses to avoid its use. At present air freight is a minor but integral part of global food supply, guaranteeing continuity of supply and enabling the growth of a market here in the UK for out of season fresh produce. Climate change and peak oil are likely to alter the dynamics of existing markets with an increased emphasis on low carbon products and supply chains that are largely independent of fossil fuels. This part of the Standards Board recommendation is intended to encourage businesses reliant on air freight to proactively address these potential challenges.

We recognise that there may be situations where air freight can't be reduced under the current conditions. We would like to know more about these situations and to explore with licensees whether an alternative approach is required.

### Implementation

The plan for reducing the use of air freight must state how the reduction will be achieved and to what timescale. Businesses would be expected to outline the reason for their current reliance on air freight, briefly describe the barriers to reducing its use and how these might be

overcome. The nature of the planned reduction should be specified as a proportion of all products imported or exported and in actual volumes air freighted. In some cases where the business is specialising or contracting, air freight as a proportion may appear to be growing whilst in actual volumes it is decreasing; the opposite could be true of an expanding business. In addition there may be cases when air freight is used in the initial stages of establishing new supply where this relationship is more complicated. For these reasons it is important the relationship between air freight as a proportion and air freight in actual volumes is detailed in the plan.

The plan will need to be approved by SACL. Licensees may be asked to review the plan if any part of it is unclear or not sufficiently in keeping with the overall aims. Businesses importing fresh produce from developing countries should take account of the impact any action to reduce air freight may have on producers. When drawing up a plan, licensees should ideally work in conjunction with other operations in the supply chain.

How the reduction is achieved will vary according to the particular circumstances of the licensee. For supply chains that involve producers in developing countries, reducing air freight may be possible only in the long term. This may involve innovations in the supply chain that make shipping possible or developing more local and regional markets for organic products. In these circumstances it may not be practical for licensees to have a comprehensive plan. Instead, a long term commitment to consider alternatives when feasible might be more appropriate.

#### Risks and benefits

The carbon emissions associated with a product that has been air freighted are likely, in the long term, to make it both economically and environmentally unsustainable for the majority of cases. Increased fuel prices, tougher legislation on carbon emissions, the inclusion of aviation in emission reduction targets, and changing consumer habits in response to carbon labelling, are all potential threats which could undermine the markets that producers in developing countries rely on.

Being proactive about reducing the amount of air freighted organic produce should place those licensees in a good position to cope with any future pressures resulting from these threats. Actions taken by licensees, in conjunction with the information gathered through monitoring, will provide us with positive case studies with which to demonstrate the responsible and progressive approach the organic fresh fruit and vegetable industry is taking to the issue.

## **6. Consumer information and labelling**

During the first round of the consultation there was extensive discussion over the possibility of labelling produce that had been air freighted. The discussions focused on:

- How effective a simple 'air freighted' or 'by air' label would be?
- What the most robust and equitable approach to informing consumers would be?

It was generally felt that a label stating that a product had been air freighted didn't help consumers to make meaningful purchasing decisions. Such labels give limited information

about environmental impact and no information on any social or economic contribution the product is making. Perhaps not surprising then that two major retailers have found that air freight labels appear not to be used by consumers to make purchasing decisions; they have had little impact on purchasing behaviour. Many of those consulted said that a carbon label on all organic products would give consumers a better indication of the relative environmental impact and be a more transparent and fair approach.

The Standards Board agreed with those who suggested the Soil Association look at labelling all produce with its carbon footprint when a suitable scheme is available. This is likely to be a few years away which raises the question: Is there something that could be done sooner which would genuinely help consumers to make informed choices?

There are two ways of approaching this which probably work best when done in parallel:

- There is an ongoing need to inform people through a variety of media about the social and environmental impact of the products they buy.
- Labels on products can enable people to make choices in the shop ideally with a backdrop of information they have gathered elsewhere.

As a first step we will produce an on-line 'rough guide to air freight' using the information we have gathered through holding the consultation. This will present the debate in an accessible and factual format for people interested in finding out more about the air freighted products they buy.

On the labelling side we think the situation is difficult. The view most commonly expressed across the groups we consulted was that carbon labelling is the most appropriate approach. However, in the interim, we are being encouraged by some groups to consider alternative labelling schemes that indicate the impact of the whole supply chain, from production to retail, without providing a precise measurement of the carbon emissions. If such a label is possible it could be introduced as an interim measure until a carbon label is available.

Some examples of existing qualitative labelling schemes in related areas include:

- The French supermarket chain, Casino, who have chosen to adopt an incremental approach to carbon labelling. In the first place they have chosen to focus on two sources of carbon emissions that can be reliably measured : packaging and transport of the product. Later they intend to incorporate labels on water use and carbon footprint once they have developed the criteria to assess them.
- Nutrition traffic light labelling introduced in the UK by the Food Standards Agency aims to give an indication of nutritional value without providing detailed quantitative data.

Although both of these labelling schemes give the consumer partial or indicative data, they are both based on quantitative information. Without quantitative information, the main difficulty would be in establishing the criteria for assessing products and agreeing the boundaries which separate indicative labelling on products. As has been evident in the debates about nutrition labelling, even with a quantitative basis, agreeing a labelling scheme can become very 'political' and highly contested. On the other hand, the benefit of such schemes is that they provide simple indicators that consumers can easily relate to. We are interested in your

thoughts on whether the benefits that might accrue from an interim label outweigh the risks of developing a qualitative scheme. Alternatively, you may feel it more appropriate to wait until the full carbon footprint of organic products can be measured.

## **7. Our carbon commitment and other accompanying work**

One point which came out strongly in the consultation is that we should look at carbon emissions from a particular product in context. When looking at air freighted fresh produce, air freight should be related to the emissions from other parts of the supply chain and compared with the carbon footprint of products in other categories.

For example, the research into particular case studies shows that meat and dairy products have the highest carbon footprints across the category groups and that where air freight is used, it is the dominant source of emissions for the whole supply chain from production to consumption.

It is not always easy for the consumer to get clear information enabling them to make conclusions of this kind. In future we hope to be able to reliably measure the carbon footprints from all organic products so that consumers can make comparisons between similar products and also between categories.

The Soil Association supports the work of the Carbon Trust in their development of standards and guidance for companies to measure and communicate the emissions of greenhouse gases associated with their products and services. A large part of this work is the Publicly Available Specification (PAS 2050) being developed with the British Standards Institute.

Once the Carbon Trust's standards and guidance is sufficiently developed to be applied to the full range of organic products and systems, the Standards Board propose to consult on requiring carbon labels on organic products.

The Standards Board are considering wider carbon impacts when prioritising the areas and direction of standards development across the entirety of its work. As a first step, the Standards Board have prioritised a review of Soil Association protected cropping standards. One of the main focuses of this review will be standards for energy use, heating and lighting in organic glasshouse production.

## 8. Your views on the recommendations

We would like your comments on the recommendations outlined above and any other issues you consider relevant and feel the Standards Board should be aware of when making its decision. You can submit your response online at [www.soilassociation.org/airfreight](http://www.soilassociation.org/airfreight) or write to the address at the foot of the page. The consultation finishes on 30<sup>th</sup> May 2008.

### 8.1 Your view of the overall approach

- Do the following proposed changes to Soil Association standards (outlined in section 5) effectively address the concerns over carbon emissions from air freight and the need to maintain market access for businesses?
  - air freight to be monitored from 2009
  - certified Soil Association Ethical Trade or to equivalent fair trade standards from 2011
  - businesses to have a plan for reducing the amount they air freight
- Will these measures give consumers confidence that we are working to meet their expectations as quickly as possible?

### 8.2 The practicalities of implementing these recommendations

To help us fully understand what businesses would have to do to meet the proposed requirements we would like your comments on the practicalities of implementing the recommendations made in section 5. We would also appreciate your responses to the following specific questions:

- Should there be a minimum amount of produce below which all or some of the proposed changes to Soil Association standards do not need to be met?
- Is the date of 2011 from which air freighted products would have to meet Soil Association Ethical Trade or equivalent fair trade standards appropriate?
- For some licensees it may not be feasible to reduce the amount they air freight in the short- to medium-term without compromising the livelihoods of those involved. With reference to the recommendation that licensees have a plan for reducing air freight (section 5.3), should we ask licensees in these situations to have a detailed reduction plan or would a commitment to consider alternatives when feasible be more appropriate?

### **8.3 What should our approach be to consumer information and labelling**

In addition to the proposed changes to the standards, the Standards Board recommend that all organic products be labelled with their carbon footprint as and when a suitable way of doing this is available (see section 6 and 7 for details).

- In the medium- to long-term, are carbon labels a good way of informing people of the carbon emissions associated with organic products?
- Would it be beneficial to develop an interim labelling scheme? If so, please suggest the kind of labels you feel are feasible and any other ways of informing consumers you believe would enable people to understand the social and environmental impact of air freighted products.

### **8.4 Organic standards and climate change**

We are interested in your ideas about what other climate change and carbon issues the Soil Association's standards development should incorporate.

- Which climate change issues should the Standards Board prioritise in future standards development workplans either because of their importance or because you feel it is practically possible to address them?

## Appendix A

### The proposed changes as they would appear in the Soil Association standards

#### PRODUCTION – Chapter 4, *Crop and land management*

##### 4.14.3 NEW

For air freighted produce, you must record:

- what was air freighted,
- the quantity,
- the country of origin, and
- the port and date of entry into the EU.

##### 4.14.4 NEW

By 1 January 2011, you must make sure air freighted products and ingredients comply with Soil Association Ethical Trade standards or equivalent fair trade standards.

##### 4.14.5 NEW

If your produce is air freighted you must have a plan, approved by us, for reducing your use of air freight. Your plan must clearly state how you will achieve the reduction including a timescale.

#### PROCESSING – Section 41.7, *Transport*

##### 41.7.6 NEW

For air freighted products and ingredients, you must record:

- what was air freighted,
- the quantity,
- the country of origin, and
- the port and date of entry into the EU.

##### 41.7.7 NEW

By 1 January 2011, you must make sure air freighted products and ingredients comply with Soil Association Ethical Trade standards or equivalent fair trade standards.

##### 4.7.8 NEW

If you handle air freighted produce you must have a plan, approved by us, for reducing your use of air freight. Your plan must clearly state how you will achieve the reduction including a timescale.

## Appendix B

### Overview of Soil Association Ethical Trade

The Soil Association has developed Ethical Trade as additional, voluntary standards to complement our organic certification. They help to give existing organic social principles a more concrete form. Social principles have always been at the heart of the development of organic standards, we are now in a position to emphasise these principles and strengthen the overall credibility of Soil Association certified organic produce.

Soil Association Ethical Trade represents an ethos of trading and doing business that addresses the three critical areas of:

- Fair treatment of workers
- A fairer return for farmers
- A positive contribution to the local community

The Ethical Trade symbol means a farmer and every other company in the supply chain up to the retailer have received a fair return, their workers have been fairly treated and the participating farms and companies are involved in contributing to their local communities. Soil Association Ethical Trade is applicable to both developed and developing countries, intended as a tool for guaranteeing fairness and social equity in any country.

Soil Association Ethical Trade can only be applied to organic products which are certified by SACL. For a product to carry the symbol, everyone in the supply chain - each producer, processor, trader, wholesaler, importer and distributor must meet the Soil Association Ethical Trade standards. Soil Association Certification Ltd will inspect and gather information to verify that each company complies with the standards.

### The sort of information we ask licensees to provide

- Terms of employment for both permanent & temporary workers including wages paid, hours of work, job descriptions, overtime, access to trade unions, complaints procedure, health and safety, disciplinary procedure, holiday and sick pay and compensation for injury and other benefits.
- Information on the trading relationships such as transparency and accountability, fair distribution of risks & rewards, long-term agreements in order to ensure stability and security, adequate return to cover cost of production and return for investment.
- Information on the wider benefit to the community such as staff organic & social awareness training, additional on-site services for staff, profit sharing or equity interest, education of the public, training within the supply chain, support or involvement in organic research, composting & recycling programmes, local marketing of own produce.