

UN Sustainable Development Goals and the UK food retail and manufacturing business



Executive summary

The 17 Sustainable Development Goals (SDGs), adopted by the UN in 2015, intend to build on the Millennium Development Goals (MDGs) and seek to achieve progress towards a new global Sustainable Development Agenda. The SDGs are universal and interconnected and there is an expectation that multiple stakeholders across nations will work together to implement them. Whilst governments will need to lead the implementation through national plans, the role of the private sector is equally vital in achieving the goals.

At a workshop in April 2016, the Global Food Security (GFS) programme sought to explore how far UK food retail and manufacturing businesses are prepared for and engaged with the SDGs, and how research might help them play their part in meeting the goals. Businesses that participated in the workshop considered the SDGs a useful framework against which both states and private actors could sense check their future plans and align their existing activities and terminology. They also identified a number of barriers and challenges facing the implementation of the goals by the private sector, as well as potential areas of collaboration with the research base that might resolve some of these challenges and address knowledge gaps.

The number and complexity of the goals and their associated targets means the SDGs are very broad, so it may be inevitable that businesses will address only those goals and targets that are most immediately accessible. However, this approach may not be sufficient to achieve real change, with potential to impact on the rest of the goals given their strong interconnectivity. To this end, business will need an appropriate metrics framework to facilitate engagement with and measure

progress against meeting the goals. Any framework must take into account the goals' complexity, business needs and any progress already made towards improving sustainability. The tensions between the SDGs' aim for radical change and the actual outcomes for business were also stressed during discussions. These tensions can manifest between the long term nature of the goals and comparatively shorter business operation timeframes, or between the different motivations and priorities different businesses will have. The need to establish new collaborations with stakeholders outside of existing networks that can empower businesses to implement the goals was also highlighted as a challenge.

The need for simple and flexible metrics as well as an improved understanding of the interconnectivity, links and trade-offs between the SDGs are areas where more collaborative research between business and academia could help overcome some of the current knowledge gaps. Mapping supply chains of different food businesses and markets across the globe through the lens of the SDGs could result in greater transparency and accountability in business supply chains, while also indicating how businesses could drive change more effectively. Despite ongoing research in this area, the SDGs pose a need for increased scope of research in resource management across the food nexus (land, water, ecosystem services), especially as significant knowledge gaps still exist and industry R&D cannot address this space alone. Finally, better understanding of consumption patterns and behaviour, as well as how to improve the nutritional capacity of foods for more sustainable and healthy outcomes were identified as research topics very pertinent to the SDGs, and industry will need to collaborate with the research base in order to address them.

Despite their strong engagement, businesses have stressed that they cannot afford to lead this agenda on their own as business sustainability will always come first. A need for better coordination and guidance on how the SDGs agenda could be led within the UK was expressed, along with a call for governments to create an enabling environment around this agenda which will ensure a level playing field for all businesses to participate.



Introduction

At the UN Summit in September 2015, the global community adopted a set of 17 Sustainable Development Goals (SDGs) aiming to drive the implementation of sustainable development. The SDGs build on the targets set by the Millennium Development Goals (MDGs) and seek to achieve progress towards a new universal Sustainable Development Agenda.

Food security plays an important role in this agenda with specific goals – such as SDG 2 for zero hunger – highly aligned with this challenge. Indeed, this is not the only example – a number of other goals are also very pertinent to the food security challenge, including SDG12 for sustainable consumption and production or SDG13 for climate action.

Whilst governments will need to lead the implementation

through national plans, the role of the private sector will be equally vital in achieving the goals. Due to this, the Global Food Security (GFS) programme sought to explore how far UK food retail and manufacturing businesses are prepared for and engaged with the SDGs, and how research might help them play their part in meeting the goals.

At a workshop held in April 2016, GFS brought together key stakeholders from industry, academia and NGOs – including participants from Sainsbury's, Nestle, ASDA and M&S – to identify the SDGs of most relevance to the UK food retail and manufacturing sector, to understand current business activity in the area, and to identify common priorities and opportunities for research-business collaboration at a precompetitive stage.



Food retail and manufacturing business engagement with the SDGs

A pre-meeting survey was conducted to gauge business engagement with the SDGs in advance of the workshop. This highlighted consensus across all industry participants that the SDGs are likely to affect their business strategies and operations as the goals will inevitably affect government policies. Participants considered the SDGs a useful framework against which to sense check their future plans and align their existing activity and terminology. Furthermore, the majority stated that they are planning to embed the SDGs into their future business strategies. Current activities they are undertaking towards this include: exploring how the SDGs align with existing initiatives within companies; and identifying gaps and mapping company supply chains onto the SDGs.

Industry and governments were considered the most responsible stakeholder groups for delivering the SDGs; but at the same time there was a clear realisation that this will involve multiple stakeholder groups, with many of the respondents

indicating that NGOs and civil society are also 'very responsible' for delivering the SDGs.

The SDGs indicated to be the most relevant and with the highest potential impact to the food retail and manufacturing business were (most votes & ranked in order of priority): SDG 15, life on land; SDG 12, responsible consumption and production; SDG 2, zero hunger; SDG 13, climate action; and SDG 8, decent work and economic growth. Whilst the goals considered as presenting the biggest opportunity for the sector and business value chains were: SDG12, responsible consumption and production; SDG3, good health and well-being; SDG2, zero hunger; and SDG8, decent work and economic growth.



Challenges and barriers for industry in implementing the SDGs

1. The number and complexity of the goals and their associated targets mean the SDGs are very broad.

With 17 Goals and 169 associated targets, the SDGs are specifically designed to be interconnected, broad and universal. The broad nature of the goals was highlighted as a challenge, as individual businesses and their suppliers will not be able to resource and implement action to address all the goals on their own. Some prioritisation and cherry picking of goals will be inevitable, so it will be important to select the right criteria for this prioritisation. There is a danger businesses will simply pick those targets that are easiest to address or those that are already being addressed. It will be important to consider whether this approach will be enough to achieve substantial change, and how the rest of the goals might be impacted given the strong interconnectivity between them.

2. Using appropriate metrics to measure progress against meeting the goals.

Businesses that embrace the goals and aspire to contribute to achieving them will need to be able to show they are making improvements and demonstrate the outcomes of what they have achieved. In order to do this, businesses will need to determine the most appropriate metrics to measure their impact and progress against the goals. It was highlighted that there is a need for a metrics framework that takes into account the complexity of the goals, business needs and any progress already made towards improving sustainability. At the same time, this framework ought to be flexible enough to allow adoption from different industries.

3. Tensions between the long term nature of the goals and business operation timeframes.

Businesses usually operate under 2-3 year timelines and an obvious disparity arises here in comparison to the 15 year lifetime of the SDG agenda. On the one hand there is a need for businesses to identify those actions that must be taken imminently for business benefit, but on the other hand it is also important to ensure these actions will have long term sustainable development outcomes. Similar issues arise at a government and policy-making level, as policy priorities are often aligned to parliamentary sessions of set lengths and thus may not synchronise well with the long term planning (until 2030) that the SDG agenda needs.

4. Different businesses have different motivations and priorities.

One should not lose sight of the fact that businesses are not a single entity and that they are often in competition with one another. They have different stakes, drivers and priorities, and the SDGs will apply differently to each. The challenge will be to dissect how the SDGs might

manifest themselves and what they will look like in the context of different businesses. Mapping out how the SDGs might impact the drivers, priorities and needs for different businesses will only be the starting point towards deciphering this.

5. Identifying the right collaborators.

Businesses are neither expected nor in a position to deliver the goals on their own. The challenge for businesses will be to move outside their comfort zone of working with a selected list of existing associates, identifying and seeking out collaborations with stakeholders outside these existing networks that can empower them to implement and deliver the SDGs.

6. Tensions between intention for radical change and actual outcomes for business.

Understanding the true outcomes of business engagement with the Sustainable Development Goals is a challenge. On the one hand businesses already do a great deal of work to improve the sustainability of their operations as there is a real reputational benefit for them from engaging in more sustainable practices. However, this does not necessarily ensure that radical change is achieved as businesses will always need to balance their activity against business viability and consumer demand. Given the broad range of choice in food, and the fact that businesses operate as part of a demand led economy, the unpredictable nature of consumer behaviour was highlighted as a key challenge. Businesses saw a potential risk in failing to strike the right balance between achieving desirable outcomes for consumers and meeting policy targets, especially with regard to the reputational impacts this might bear. Furthermore, the difference between food production sustainability and food consumption sustainability was highlighted as another level of complexity that should be factored in. Food production sustainability in retail businesses can be improved through control of product origins processing, but this does not necessarily ensure that diets also become more sustainable as a consequence.

7. Who should lead on this?

Clarifying whether the implementation of the SDG agenda will be pushed by policy makers and governments or pulled by consumers was considered highly important, as different approaches and actions might be required in each case. Industry has independently led sustainability optimisation initiatives in the past, particularly focused on supply chains, but workshop participants considered it important for governments to set the framework for addressing the goals and create a level playing field in terms of legislation.

Knowledge gaps and business needs for industry in implementing the SDGs

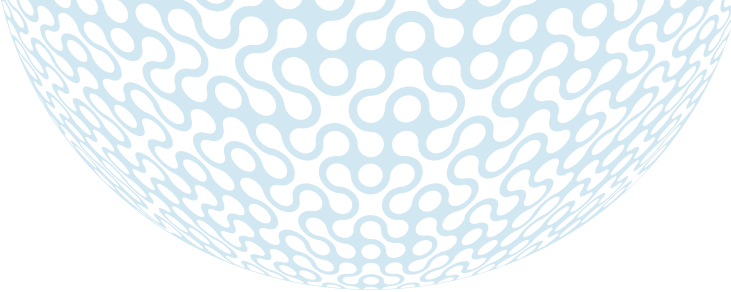
Research and knowledge needs

- 1. Development of simple and flexible metrics.** With the SDG agenda being so broad, having numerous targets incorporated under each goal, the need for appropriate metrics and Key Performance Indicators (KPIs) to allow business to effectively measure their progress against the SDGs was highlighted numerous times throughout discussions. Businesses will need to show that they are making improvements; otherwise it will be particularly difficult for them to identify incentives for adopting the SDGs agenda. The development of metrics that are simple, easily adopted, flexible and fit for purpose across the different types of businesses in the food sector was identified as an area research could help with. Measuring inputs is relatively easy; therefore collaborative research could focus on outcome oriented metrics that would take into account the full range of different business drivers and supply chains.
- 2. Better understanding of the interconnectivity, links and trade-offs between the SDGs.** It was highlighted that further research will be needed to better understand the interconnectivity between the SDGs, facilitating the development of indicators that take into account the links and trade-offs between them. Modelling and mapping could help clarify the connection points within the goals as well as any unintended consequences that may arise if certain goals are prioritised over others. Identifying the risks associated with pushing in one direction that may end up damaging progress towards another goal could help develop a set of targets that take these connection points and trade-offs into account, clarifying how to strike the right balance. In other words, a set of 'iceberg indicators' should be defined and used to prioritise which SDGs make most sense to take forward. This would be extremely helpful for businesses as it will not be possible for them to address all of the SDGs simultaneously, so guidance for prioritisation would be valuable.
- 3. Translating what the goals and targets mean in simple business terms, and articulating clear guidance on how business and other stakeholders can engage with them.** A plan articulating clear business actions, metrics to measure progress and potential benefits for business – as well as other stakeholders – could enhance engagement and empower business to take the lead and push the SDG agenda forward. This could be particularly helpful for small and medium-sized enterprises (SMEs) and

young entrepreneurs for whom it will be harder to find the time or the resources to engage. Keeping this simple whilst still addressing the complexity and interconnectivity of the goals would pose further challenges to developing a meaningful plan that is not too prescriptive and allows space for business to innovate.

- 4. Multidimensional mapping of supply chains.** Mapping markets and supply chains for different food businesses across the globe through the lens of the SDGs was highlighted as an area of particular interest for industry. Most of the businesses represented rely upon a certain sub-set of commodities, so research to model the main commodities at a system level and across different dimensions (e.g. geographical distributions, climates, biodiversity habitats and natural environments, as well as different policies and regulatory landscapes) could help build a better understanding of how key supply chains operate as a whole. A comprehensive map of this kind could help identify where there are obstacles blocking change towards improving the sustainability of supply chains, and support future scenario planning on how to overcome them. Transparency and data sharing through appropriate Non-Disclosure Agreements will be necessary during this process, as businesses do not act in isolation and the development of a whole market understanding – including all actors that participate in it – will be necessary to achieve global change.
- 5. Access to new markets and how to open up new sources of supply.** Access to new markets and sourcing of products from new locations might be a way to optimise the resilience and sustainability of food supply chains. Socio-economic research could develop knowledge that supports entry to new consumer markets as this requires substantial





understanding of local social structures. Research will also be needed around improved understanding, assessing and mitigating of risks associated with alternative sourcing of materials from new locations. These risks could be related to market supplies, financial risk, environmental and social governance issues or climate change. Specifically in relation to climate change, research could better inform how to optimise different supply chains across different geographies as both the average and variability of the climate changes. Identification of 'climate analogues' for production of certain materials across different global locations could help build resilience and a comparative advantage in an unstable world. Whilst in relation to financial risks, improvement of methods to model the value of externalities and a better understanding of market responses were highlighted as key business needs. For example, the costs and values of externalities need to be balanced, therefore identification of the value of the externality alongside other financial and reputational risks for a given brand was seen as important.

6. Understanding consumption patterns. Improved understanding of consumption patterns and consumer behaviour was identified as an area of particular interest as industries operate in a demand led economy. It was suggested that there has been some disconnect between what businesses do to control production and the consumption patterns within the supply chain that, ultimately, drive food production. Therefore understanding consumption and food choice is a research area where the food industry has a continuously keen interest.

7. Nutrition and health. More collaborative research focused on improving the nutritional content of foods and the impact of food on health was considered very important as it is an area that businesses cannot lead on their own. Under this theme, a research area exploring the nutritional capacity of alternative sources of food was suggested. Diets, particularly in developed countries, are currently unsustainably over-reliant on a small number of crops and foods; therefore, exploring opportunities for mainstreaming alternative types of protein or crops eaten elsewhere into UK diets, as well as ways of developing these markets, could be an area for future collaborative work between business and the research base.

8. Natural resources management around the nexus (land, water, food). Participants pointed out that the SDGs pose a need for increased scope of research relating to the food nexus (land, water,



ecosystem services) and a better understanding of potential shocks to the food system as a whole. A focus on landscapes and the development of methods for mapping the stakeholders that contribute to the management of the nexus within any landscape were particularly emphasised. Identifying those key stakeholders (e.g. farmers, industry workers and the communities within which they operate) that could help to drive systemic change within the food context of the SDGs was deemed necessary as it was noted that business alone could not deliver the system-wide change needed.

Governance and coordination needs

9. Businesses need a better understanding of how the agenda will be led. Industry representatives noted that businesses cannot afford to lead this agenda on their own, as the sustainability of the business itself must be their primary priority. A need for better coordination and guidance on how the SDG agenda could be led within the UK was expressed, along with the need for governments to create an enabling environment which will ensure a level playing field for all businesses to participate. From a research point of view, the formation of a consensus body that would act as an authoritative entity and collate evidence upon which actions oriented towards the delivery of the goals could be set was suggested as a potential way forward. It was also highlighted that, from a business point of view, stronger ownership for the SDGs from top to bottom within the businesses was needed in order to set the standards and deliver examples of best practice.

Conclusions

The SDGs are generally seen to provide a useful framework for states and private actors involved in food supply chains. The fact that the goals are very broad, with long term timeframes and numerous, interconnected targets, presents some of the biggest challenges the food retail sector and businesses in general will face in the attempt to implement them.

Challenges apart, businesses have indicated their willingness to work with other stakeholders and play their part towards the delivery of the goals. The UN is actively working to engage the private sector with the SDGs through the UN Global Compact, a platform already engaging over 8,000 companies in 160 countries, further demonstrating the willingness from industry to do its part in delivering this agenda.

The research base could play a significant role in helping the food sector to overcome some of the challenges faced

in implementing the SDGs, and importantly generate new knowledge in areas where there are significant knowledge gaps. For example, the academic community could have a role in working with industry to translate the SDGs into a language more accessible to business. The announcement of the £1.5Bn Global Challenges Research Fund (GCRF), and more recently the £4.7Bn Industrial Strategy Challenge Fund, presents opportunities for stronger engagement between the research base and the food industry through interdisciplinary research calls around the SDG agenda.

However, this alone will not be enough to tackle the challenges facing the implementation and delivery of the goals. Industry is pressing government to pave the way, creating an enabling environment and a level playing field for the food sector to do its part for the successful implementation of the SDGs.



Annex 1: Workshop agenda

The UN Sustainable Development Goals and the UK Food Retail and Manufacturing Business

22 April 2016: 10.00am - 16.30pm

Venue: The Grosvenor, Orient and Pullman Suite, 101 Buckingham Palace Road, SW1W 0SJ, London

Purpose

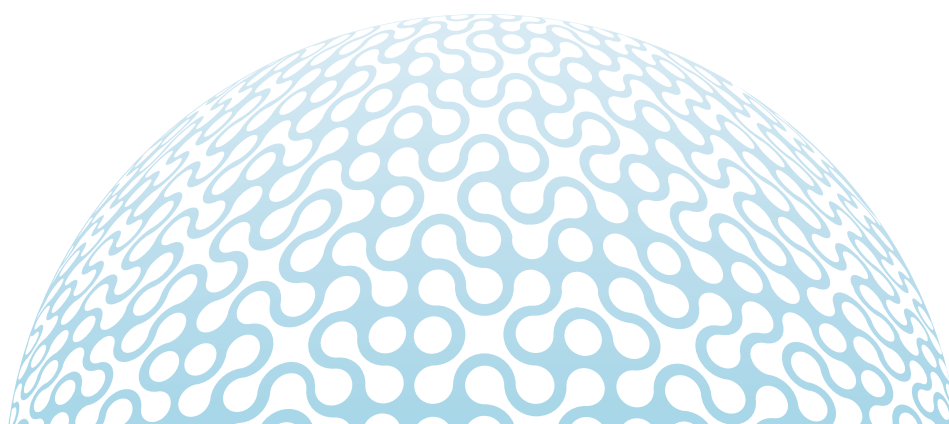
The Global Food Security Programme (GFS) aims to explore how prepared & engaged with SDGs are the UK food retail and manufacturing businesses. Through this workshop, we aim to bring together stakeholders from industry, academia and NGOs to identify the knowledge gaps around the SDG agenda, challenges and opportunities for collaboration at a precompetitive stage towards an effective implementation of the UN Sustainable Development Goals.

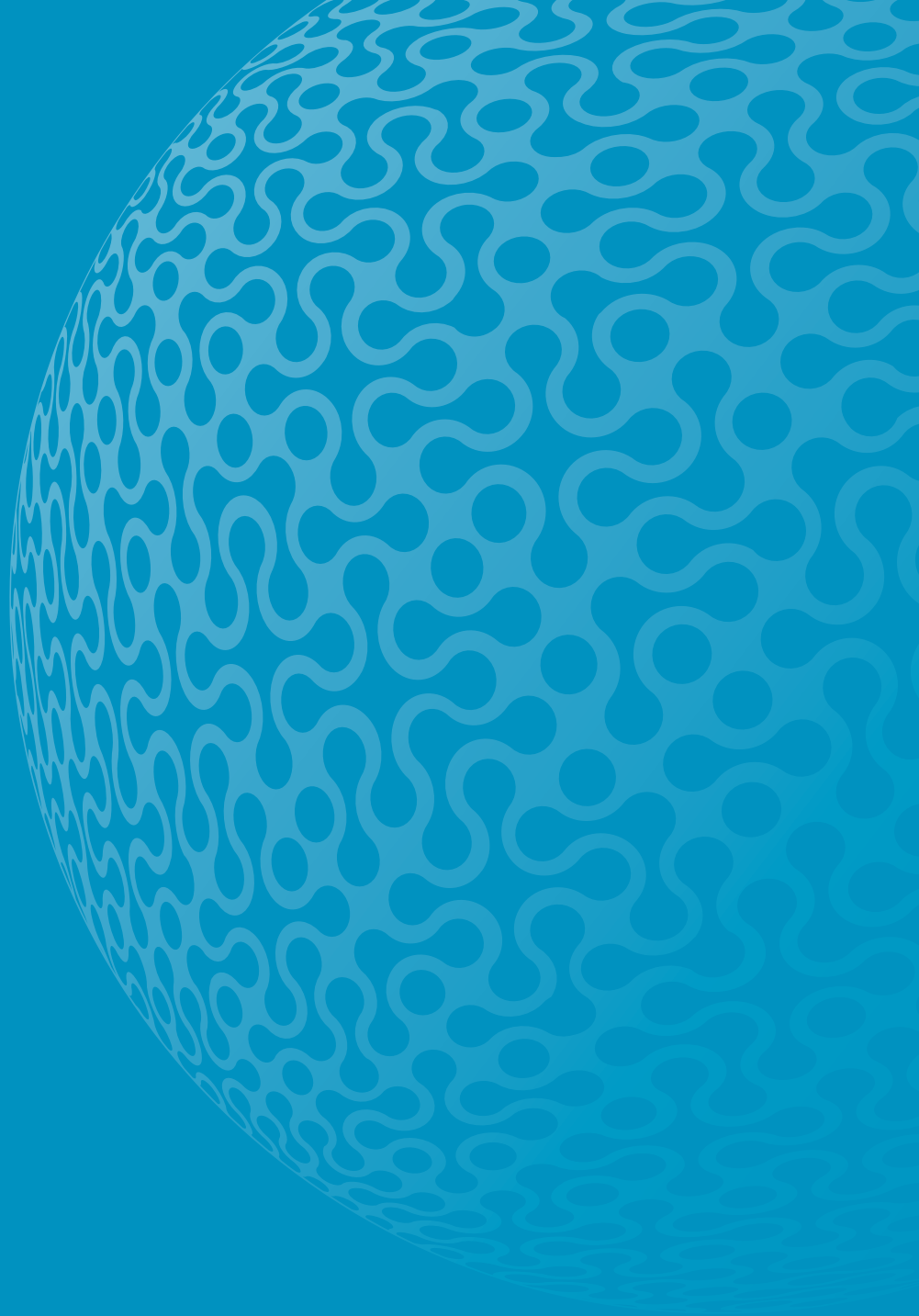
Programme

10.00 - 10.30	Arrival and registration
10.30 - 10.40	Welcome – Tim Benton, Global Food Security Programme Champion, GFS Welcome the participants to the meeting and set out purpose and the objectives for the workshop.
10.40 - 10.50	Outcomes from GFS survey on SDGs and the food business Evangelia Kougioumoutzi, GFS Programme Manager
10.50 - 11.10	SDGs from a research perspective Sarah Bell, Senior Lecturer UCL/IRIS
11.10 - 11.30	SDGs as an opportunity for food business Aris Vrettos, Programme Director, University of Cambridge, Institute for Sustainability Leadership
11.30 - 12.05	Break-out session 1 – Challenges and barriers for business in addressing and implementing the UN SDGs <i>Facilitated break-out groups to identify the most significant challenges and barriers that keep the UK food businesses from implementing plans that address the SDGs.</i>
12.05 - 12.20	Coffee break
12.20 - 12.35	Reflections on main points from table discussions
12.35 - 12.55	Industry approach on SDGs: Chris Brown, Sustainable Business Director, ASDA
12.55 - 13.45	Lunch
13.45 - 14.20	Break-out session 2 – Business needs in addressing SDGs and where knowledge gaps lie. <i>Facilitated break-out groups to consider what are the food business needs in order to overcome the challenges in addressing SDGs and where research could help fill existing knowledge gaps.</i>
14.20 - 14.35	Reflections on main points from table discussions
14.35 - 14.55	Industry approach on SDGs: Stuart Lendrum, Head of Sustainable Business, Sainsbury's
14.55 - 15.15	NGO's view on SDGs: Erinch Sahan, Senior Policy Advisor, Oxfam
15.15 - 15.30	Coffee Break
15.30 - 16.05	Break-out session 3 – Opportunities and areas of collaborative work for the food retail and manufacturing sector in addressing SDGs. <i>Facilitated break-out groups to identify what are the common priorities and areas in which food business can work together, at a pre-competitive stage. Identify areas where further research could help support this.</i>
16.05 - 16.20	Reflections on main points from table discussions
16.20 - 16.25	Closing remarks – Tim Benton <i>Wrap-up of the day's discussions and meeting close.</i>
16.25	Workshop close

Annex 2: List of attendees

Peter Andrews	British Retail Consortium	Sustainability Advisor
David Barling	University of Hertfordshire	Professor, Director of Centre for Agriculture
Sarah Bell	UCL/IRIS	Senior Lecturer
Tim Benton	GFS	Champion of GFS and Professor at University of Leeds
Chris Brown	ASDA	Sustainable Business Director
Alvaro Rivera Calzadilla	UCL/IRIS	Senior Lecturer
Hazel Culley	M&S	Food Plan A Team
Elizabeth Dowler	University of Warwick	Emeritus Professor Food and Social Policy
Laura Falk	Sainsbury's	International Development Manager
Geraldine Gilbert	Forum for the Future	Principal Sustainability Advisor
Alan Hayes	IGD	Strategy Engagement Management
John Ingram	Oxford University, ECI	ECI Food Systems Programme Leader
Evangelia Kougioumoutzi	Global Food Security Programme	International Coordinator and Programme Manager
Yaso Kunaratnam	UKCDS	Research and Policy Officer
Nicola Ledsham	FDF	Sustainability Executive
Stuart Lendrum	Sainsbury's	Head of Sustainable and Ethical Sourcing
Simon Miller	3Keel – Cool Farm Alliance	Managing Partner
Louise Nicholls	M&S	Head of Responsible Sourcing
David O'Gorman	Global Food Security Programme	Strategy and Policy Officer
Andrew Parry	WRAP	Special Advisor Food and Drink
James Phillips	BBSRC	Senior Business Interaction Manager
Erinch Sahan	Oxfam	Senior Policy Advisor
Guy Thallon	Produce World	Head of Research, Development and Innovation
Anna Turrell	Nestle	Senior Public Affairs Manager – Sustainability
Aris Vrettos	University of Cambridge, ISL	Programme Director
David Webster	Jordans & ABF UK	Head of Sustainability and Communications
Sian Williams	Global Food Security Programme	Analyst and Review Writer





Global Food Security Workshop:
The UN Sustainable Development Goals and the
UK food retail and manufacturing business
22 April 2016, London

Prepared by Evangelia Kougioumoutzi on behalf of the Global Food Security programme

Partners and affiliates



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Global Food Security (GFS) is a multi-agency programme bringing together the main UK funders of research and training relating to food. GFS publications provide balanced analysis of food security issues on the basis of current evidence, for use by policy-makers and practitioners.

This report does not necessarily reflect the policy positions of individual partners.

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