

Organic Centre Wales project: Helping Organic businesses lead the way in sustainability



Why?

- Business – improve sales, financial performance and reputation
- Environment – reduce dependence on non-renewables and maintain natural capital
- Suppliers – reduce costs, risk and carbon footprints
- Staff – boost morale and provide strong leadership
- Customers – working on their behalf to make their choices more sustainable.

Surely organic is better anyway?

‘organic shops have always produced surprising quantities of waste...’

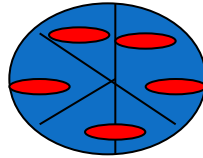
‘...bemusing since the shop specialises in stock from local growers who would presumably benefit from the waste as feed for their livestock or at least for compost.’

Tristram Stuart (2009)

Waste - Uncovering the Global Food Scandal Penguin

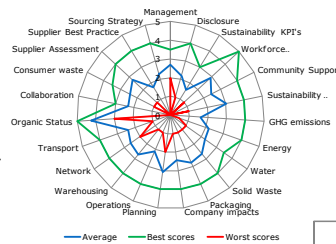
Designed to give practical support to the sector

Market analysis and Mapping of Supply Chains

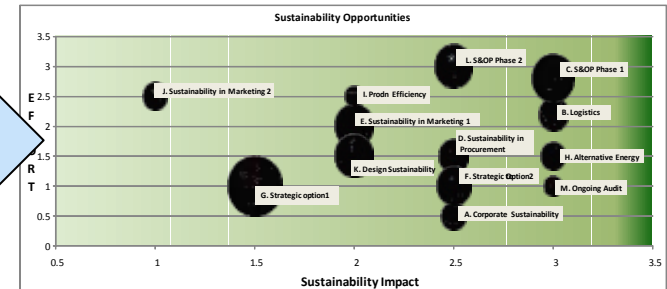


Health checks and footprints (25 companies)

Welsh Organic Healthcheck scores



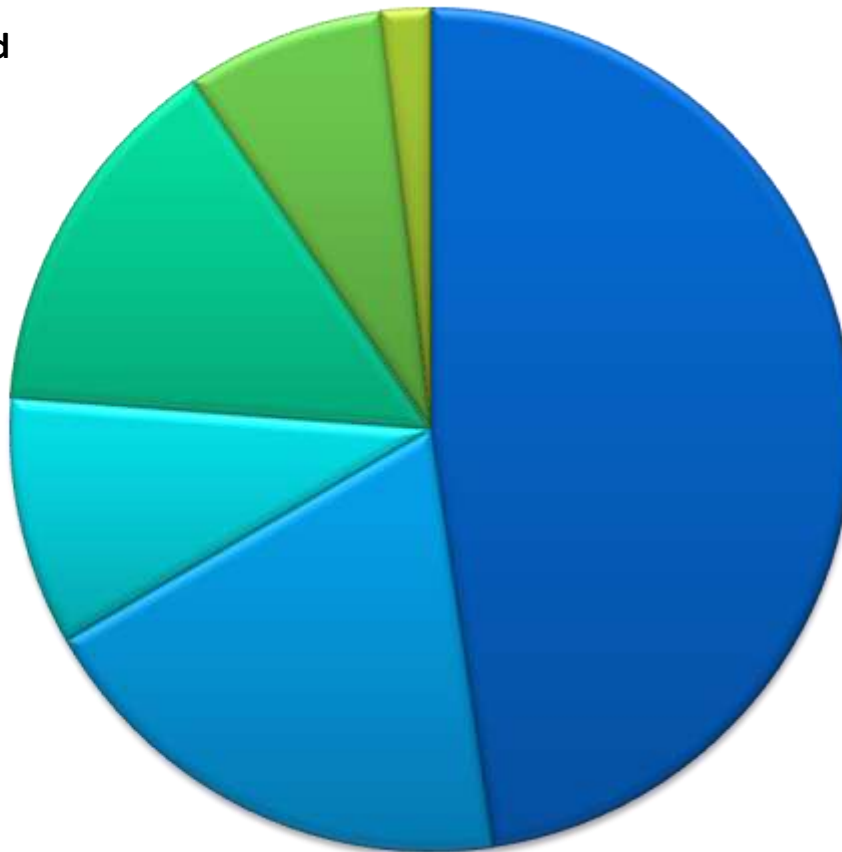
Sustainability Action Plans (10 companies)



Forums designed to embed this change, evolve and grow new ways of working

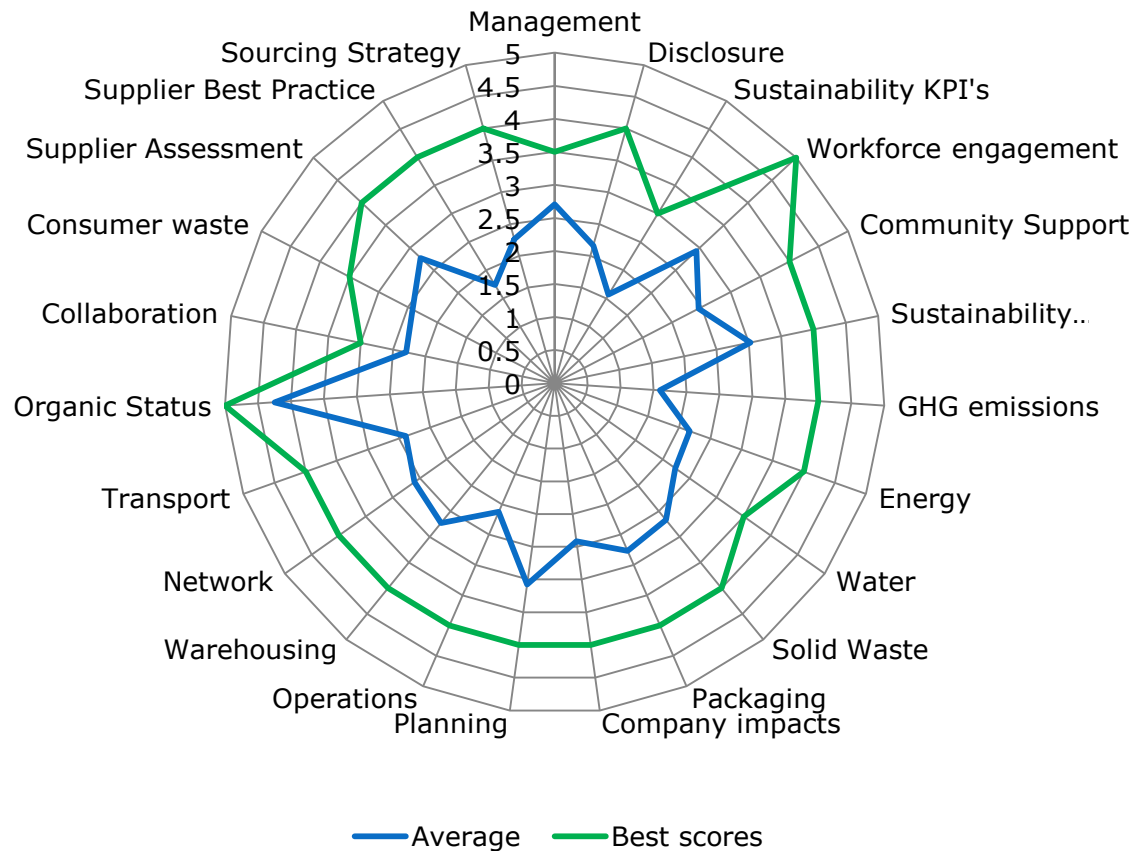
Wales Organic Sector overview

Plus: Specialist
Wholesalers and
Retailers



- Meat
- Dairy
- Fresh Produce
- Process
- Arable
- Household

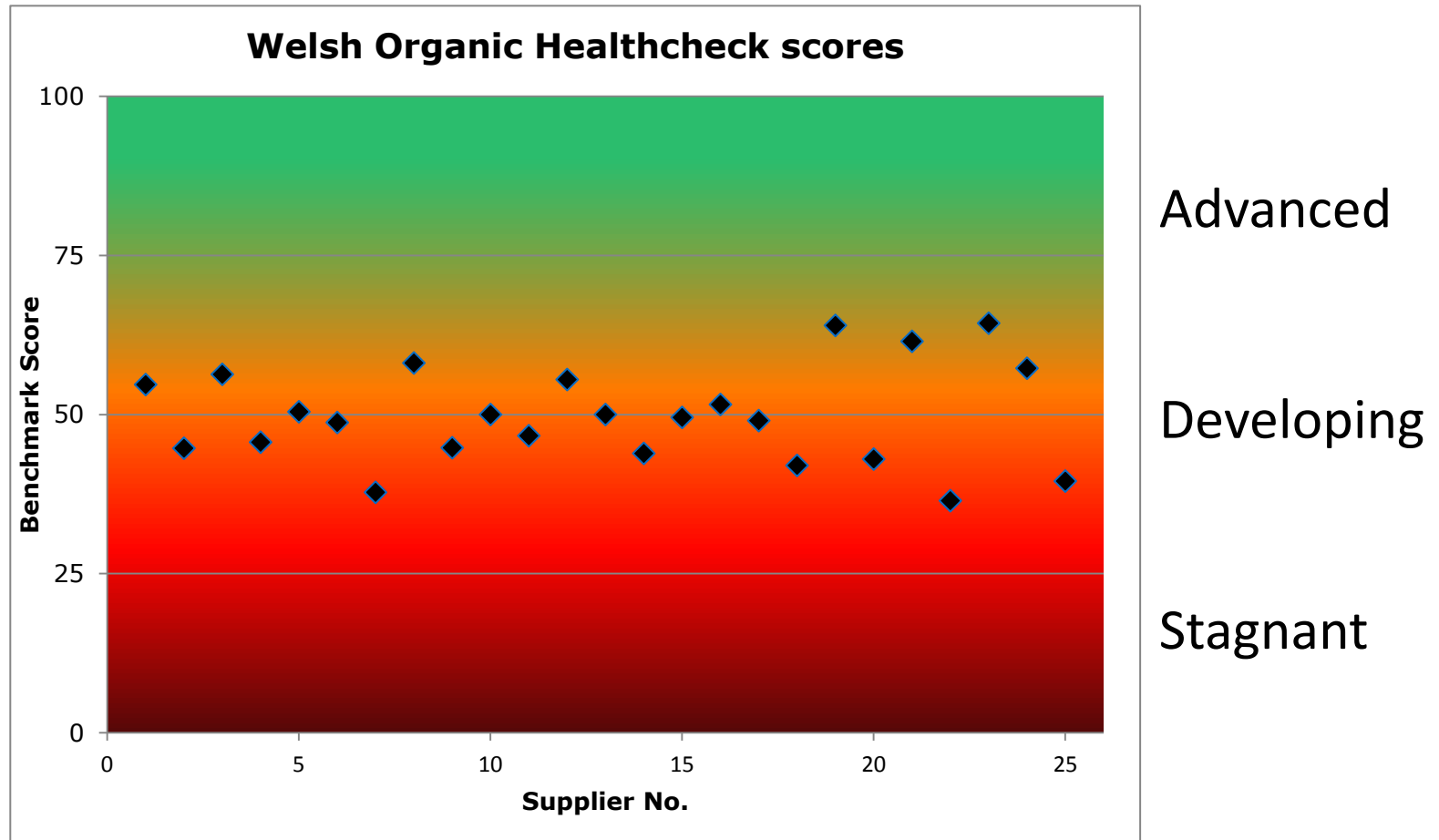
Welsh Organic healthcheck scores show a range of focus and achievement



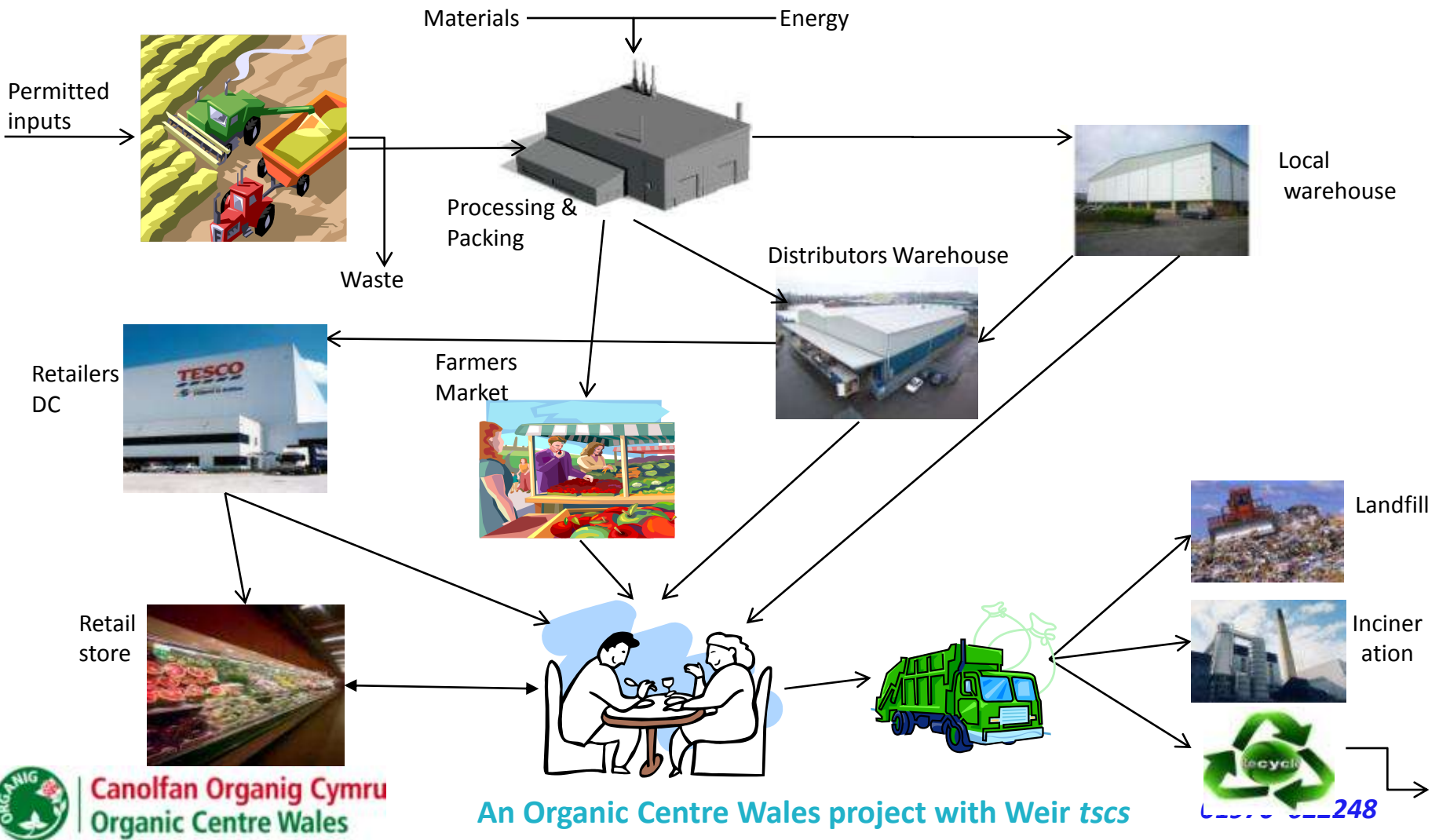
Industry specific focus on:

- Meat (Beef, Lamb, Chicken)
- Dairy
- Vegetables & fruit
- Process
- Wholesale/Retail
- Home furnishings

All businesses show there are opportunities to be addressed

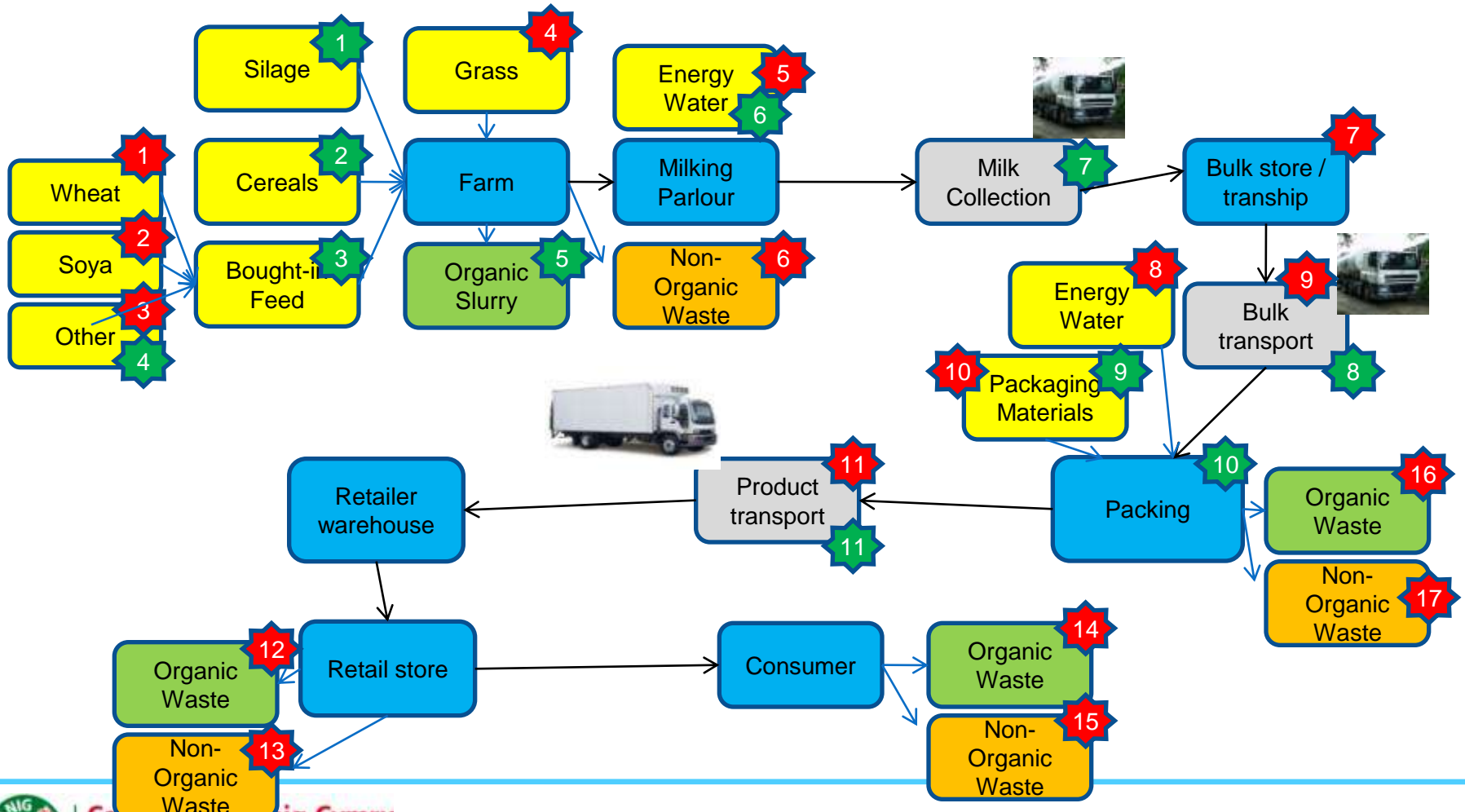


The generic end-to-end Supply Chain map is used as a basis



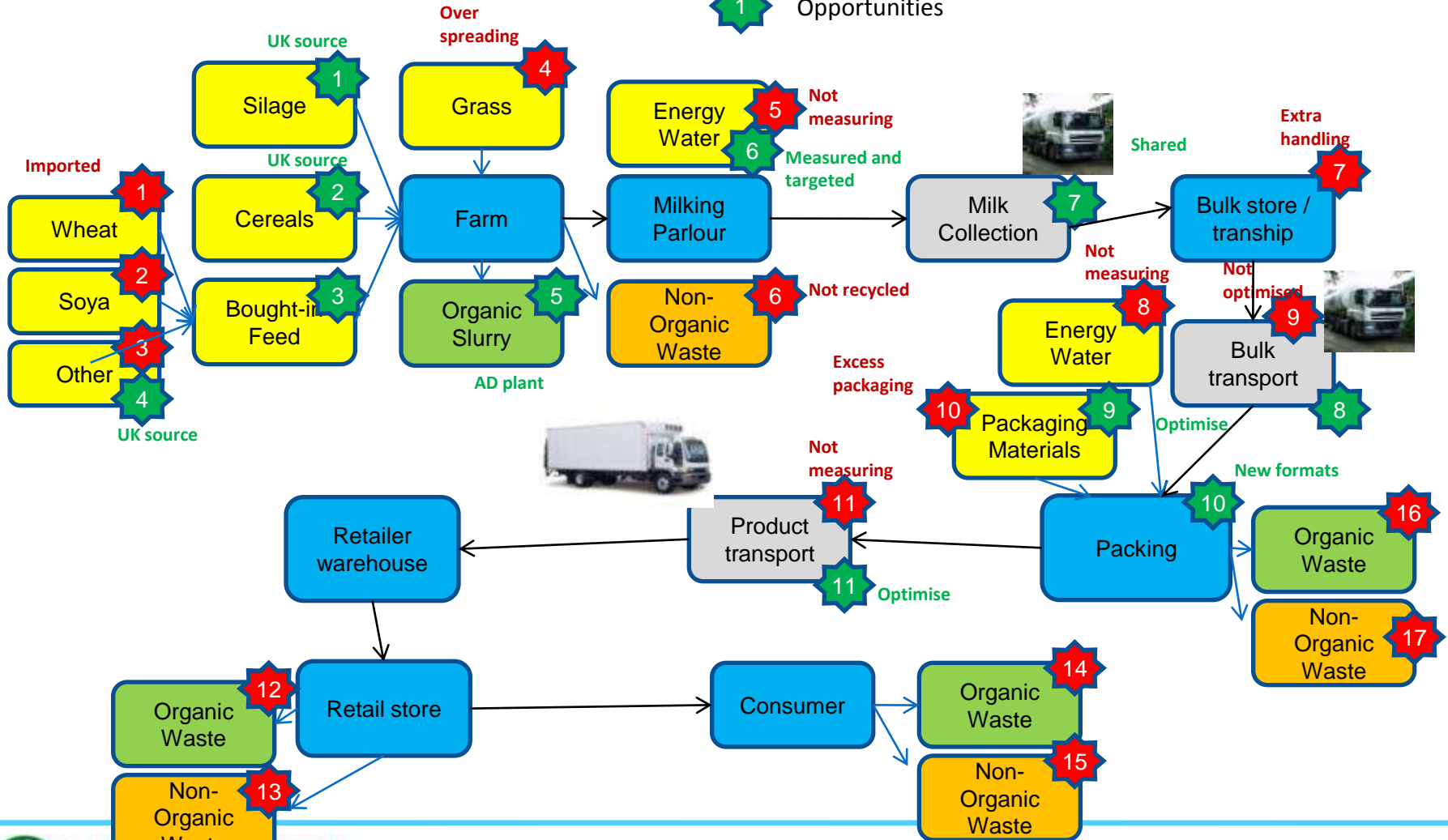
Dairy Supply Chain footprint

Risks/poor practices
 Opportunities



Dairy Supply Chain footprint

1 Risks/poor practices
1 Opportunities



Sustainability Action Plans

...a short document providing:

- Overview of specific business and their sub-sector
- Supply Chain Footprint map
- Issues identified and analysis
- Key opportunities and actions
- Prioritised opportunity map
- Summary of recommendations

Example: Dairy company footprint map

Sustainability FOOTPRINT	Dairy									
	Materials	Sourcing	Inbound Transport	On Farm	Process & Packing	Primary Transport	Secondary Transport	Wholesale & Retail	Consumer	End of life
Key Issues	Excessive Packaging and some not recyclable	Chemical supplies of feeding ingredients	Long distances and load utilisation not optimised	Resource usage not measured & targeted	Resource usage not fully measured and targeted	Milk collection transport not optimised	Long distances and load utilisation not optimised	Prices paid for Organic too low, seasonal supply variations	Limited recognition of value	Show the full life and non-recyclable packaging waste
Opportunities	Lightweight, recyclable	Local suppliers	Combine with other loads	Integrated, planned and measured system	Measure & target energy, carbon & waste	Optimise routing and combine loads	Optimise routing and combine loads	Direct sales to key customers, exploit export markets	More information on packaging promotional material	Provide more incentives to consumer to recycle
Carbon										
% of carbon in chain	3	2	2	30	15	4	4	10	3	3
Risk										
Cost										

Example: Dairy company – Issues & Actions

Sustainability Action Plan							
Dairy							
Levers							
Supply Chain Area	Carbon %	Risk	Cost %	ID	Issue	Action	Sustainability Impact
Materials	5	m	10	A1	Excessive Packaging to protect product	Focus on using minimum gauge material	H
				A2	Some packaging used eg cartons is not recyclable	Potential to improve the sustainability of the packaging being	H
Sourcing & Procurement	2	h	4	B1	Imported feedstuffs for feed	Source more local materials.	H
				B2	Rising input costs, especially feeds and fuel	Join buying groups for all purchases. (see also comment	L
Inbound Transport	2	l	2	C1	High costs or inconvenient delivery times and quantities	Coordinate via buying groups	L
				C2	Vehicle utilisation often low	Coordinate transport, and evaluate opportunities for backhaul	M
On Farm	50	m	40	D1	Not measuring key areas and therefore uncertain of impacts and	Measure and target key areas such as energy, water, waste,	H
				D2	Staff not aware of all Sustainability issues and their role	Education/awareness and incentives to input ideas	H
				D3	Water use not minimised	Use boreholes, establish own reservoirs, increase water	H
				D4	Inefficient nutrient budgeting	Evaluation of current practices, benchmarking and training	H
				D5	Soil quality not measured or improved	Measure and apply techniques to improve quality and hence	H
				D6	Renewable energy options not addressed	AD for dairy, biomass, wind, solar PV, hydro if streams etc	H
				D8	Farming practices not integrated	Full recovery and re-use of slurry, maximum use of surplus	H
				D9	High costs for infrequent use of labour and machinery	Shared labour, machinery rings, development of	M
				Process & Packing	15	m	15
E2	Waste not targeted or recycled	Focus on waste reduction and zero waste to landfill	H				
Primary Transport	4	l	5	F1	Produce shipped long distances to central packing/processing	Identify potential for joint investment and development of	M
				F2	Vehicle utilisation low on outward collection leg	Coordinate transport with other producers, and evaluate	M
Secondary	4	l	2	G1	Products shipped long distances to customer and end consumer	Focus on serving local customers with shared distribution	H
Wholesale & Retail	10	l	15	H1	Price paid for Organic produce too low to enable producer to make	Direct sales to key customers. Exploit export markets	L
				H2	Commission charged to producers deters them from using	Consider switch to co-ops	M
				H3	Organic products sold as conventional due to lack of customers	Direct sales to key customers. Exploit export markets	L
				H5	Milk availability is seasonal due to grass feeding only, which leads	Move to all year round calving and winter feeding	M
Consumer	5	m	5	J1	Consumer does not sufficiently recognise benefits of Organic	More information on pack and promotional material to explain	H
End-of-life	3	l	2	K1	Shorter shelf life of organic vs conventional	Investigate filtered (premium price opportunity) and UHT	H
				K2	Packaging not recycled	Provide more incentives to consumer to recycle pack	M

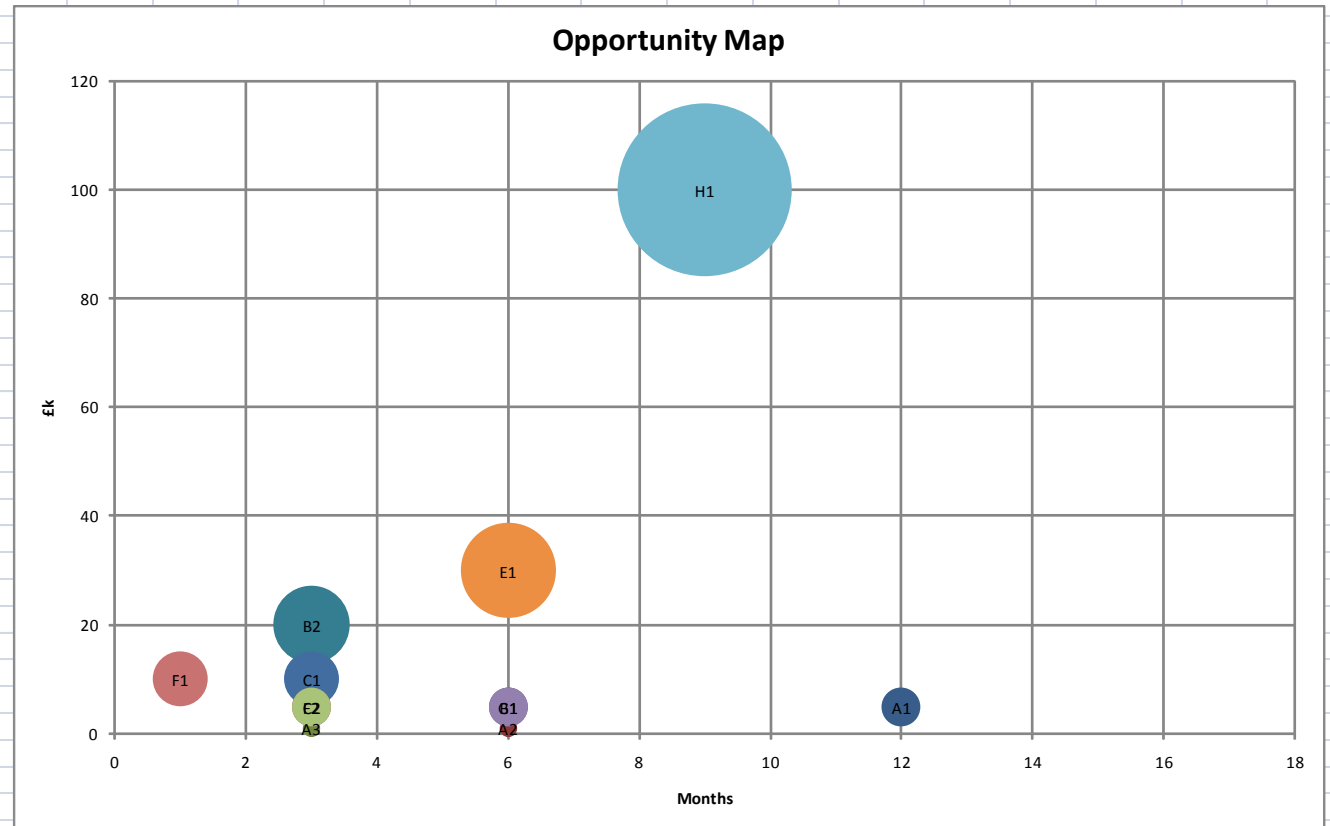


Example: Process company - Opportunity Map

Sustainability Action Plan

Process company

ID	Sustainability	£k value	No. of months
A1	H	5	12
A2	H	1	6
A3	L	1	3
B1	H	5	6
B2	L	20	3
B3	O	0	0
C1	L	10	3
C2	M	5	3
D1	H	0	0
D2	H	0	0
D3	H	0	0
D4	H	0	0
D5	H	0	0
D6	H	0	0
D7	M	0	0
D8	H	0	0
D9	M	0	0
E1	H	30	6
E2	O	0	0
F1	M	10	1
F2	M	5	3
G1	H	5	6
H1	L	100	9
H2	M	0	0
H3	H	0	0
H4	H	0	0
H5	M	0	0
H6	M	0	0
H7	H	0	0
J1	H	0	0
J2	H	0	0



Ten Top Tips

- Source the majority of supplies and services locally
- Have an ethical or fair trade policy with suppliers
- Order in supplies in bulk containers or on pallets
- Avoid packaging or use returnables or packaging from renewable resources
- Measure and monitor:
 - Electricity and fuel use, with targets for reduction
 - Water use, with a target for reduction
 - All waste – set a reduction target, and always recycle
- Run active company suggestion scheme on sustainability ideas
- Ensure all vehicles leave with full loads
- Ensure vehicle tyres are at the correct pressure – Regularly!



Where next?

- Think about it!
- Join the web forum <http://www.weir-tscs.com/organicforum/index.php>
- Let us (OCW) know if you would like to receive a Sustainability Toolkit
- Join groups – e.g. Twitter group @GuardianSustBiz
- Read Tristram Stuart (2009) Waste – Uncovering the Global Food Scandal Penguin

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Cronfa Amaethyddol Ewrop ar gyfer Datblygu
Gwledig: Ewrop yn Buddsoddi
mewn Ardaloedd Gwledig
The European Agricultural Fund for
Rural Development: Europe Investing in
Rural Areas



Llywodraeth Cymru
Welsh Government