Environmental Footprint Roadmap

Frequently Asked Questions

idh
transforming markets

What is the difference between primary and secondary data?

- Primary data is raw, firsthand data, taken from the supply chain
- Secondary data collection sources include scientific data, publications, websites, etc.

Why is it important to focus on primary data?

Although collecting primary data can be time-consuming and costly, we believe that you cannot rely on secondary data sources alone. Reasons for this include:

- Primary data is more accurate, relevant and reliable and can help you target specific hotspots in your supply chains. Secondary data can only provide generalised results.
- Primary data provides deeper insights and shows progress on a target, allowing you to quantify, monitor and track the improvements being made in your supply chain.
- Primary data comes from a direct source, which gives it more credibility.
- Although farm data can be very difficult to collect, for some supply chains (e.g. fruits and vegetables) it could account for up to 80% of the total environmental footprint. Therefore, accurate data collection - particularly at source – allows you to focus your resources when planning what action to take.

Why should we focus on the entire supply chain, when we only control one aspect of it?

This is crucial when you are addressing product footprint and sustainability, for several reasons:-

- Assessment: Many food supply chains are complex, involving multiple stages from production and distribution to retail. Not every supply chain will have its main hotspots at the farm level. A comprehensive assessment ensures us you can identify and address carbon emissions at every stage within the supply chain, without overlooking any significant emission sources.

- Emissions Hotspots: It is important to target the most significant emissions sources in your supply chain. In doing so, you will more likely address the most urgent issues (rather than focusing time, effort and cost on something which may only be contributing a small percentage to the overall footprint).

- Emissions Shifting: Narrowly addressing one aspect of the supply chain can lead to emissions shifting, i.e. where emissions are reduced in one area but increase in another. A more holistic approach can prevent these unintended consequences.

- Supply Chain Collaboration: Supply chains and companies are interconnected. Collaborating with suppliers, distributors, and other stakeholders across the entire supply chain is essential for effective and efficient change.

Why do we focus on reduction and not on sequestration?

Carbon reduction is generally considered superior to carbon sequestration in the fight against climate change. It primarily focuses on curbing greenhouse gas emissions at their

source, addressing the root cause of climate change, while carbon sequestration aims to capture and store carbon dioxide after it's already in the atmosphere.

Carbon reduction initiatives have immediate, cost-effective, and wide-ranging benefits, including lower environmental risks and the avoidance of carbon leakage from storage sites, which is a concern with some sequestration technologies. At its core, carbon reduction is a holistic approach that looks at systems change rather than seeking ways to mitigate the impact of the norm.

Why do you focus on the product footprint as well as the corporate footprint? Isn't working on your corporate footprint already enough?

Firstly, we know measuring your company's footprint is needed in order to comply with regulations and standards, and meet the sustainability reporting demands of your investors and stakeholders. However, we believe it is vital to focus on the product footprint as well, because:

1. Focusing on the product footprint helps you better understand the hotspots in your specific supply chain, helping you to pinpoint the specific actions that need to be taken.

2. Measuring the product footprint helps you to compare apples to apples, amongst your competitors, so lessons can be shared across companies of different sizes and in different geographies. Further, company specific climate targets focus on the emissions for all the company's emissions (whether or not they are related to a specific product).

3. It allows you to compare data and progress between companies and learn from one another.

4. It complements the work companies are doing internally on reporting their corporate footprint.

5. The information needed to measure scope 3 emissions - as part of your corporate footprint calculations - is very similar to the information that needs to be collected for product footprint, so you are not duplicating your efforts.

6. By measuring your product footprint, you are verifying that as a brand, you are working to measure and reduce your products' carbon emissions. This is in line with the EU Ecolabel (a voluntary scheme which promotes goods and services which demonstrate environmental excellence).

7. Measuring your product footprint will help meet consumers', retailers' and investors' growing expectations regarding product footprints and sustainable choices.

8. Measuring your product footprint allows you to determine carbon reduction opportunities: lowering your GHG emissions at farm level can lead to increasing farmers' efficiency and cost-effectiveness, and therefore, potentially improving the business case for farmers.