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Challenges of the EU Food and Drink industry in the Green Market



Food & Drink Industry – Key figures

- •The EU food and drink industry employs 4.82 million people
- •It generates a turnover of €1.2 trillion
- It generates €266 billion in value-added, making it the largest manufacturing industry in the EU
- •In half of the EU's 28 Member States, the food and drink industry is the biggest manufacturing employer
- •Around 75% of the EU's food and drink products are destined for the Single Market









- About 80% of the EU citizens are buying "environmentally friendly" products at least occasionally.
- However, defining an "environmentally friendly" product is extremely complex.
- Today there are over 450 environmental labels spanning 25 industry sectors in the marketplace internationally, with about 100 in Europe. These are all based on different datasets and calculation methods.









The PEF method

Food companies wishing to market its product as **environmentally friendly** in several Member State markets faces a confusing range of choices of methods and initiatives.

Sometimes they have to use different ones for different markets. This results in **costs for companies** and **confusion for consumers**.

The European Commission proposed the **Product Environmental Footprint (PEF)** method as a common way of measuring environmental performance. It is designed to help companies make substantiated claims about their product's impacts, reduce assessment cost and improve product comparisons.







Creating the rules for efficient and consistent assessment

The European Commission also established instructions to establish PEF category rules (PEFCR), a ruleset describing how to calculate the environmental footprint of a specific product group. The resulting rules will then be applicable in the entire EU market.

A PEFCR will provide the companies producing the same type of products with everything they need to design sustainable products, make green claims and reduce their footprint. The next step is to create tools to help companies easily calculate PEF results and accelerate the use of the new PEFCR throughout the sector.







The Dairy sector example

The dairy industry associations wanted to help their members gain a competitive edge by creating product environmental footprint category rules (PEFCR) for their products' types.

This is how the dairy PEFCR was born.



It provides a harmonised approach from within the sector for measuring environmental footprint of products.







The Food&Drink industry perception of the PEF method

This methodology and its policy framework will ensure credible and reliable information to the consumer and thus prevent greenwashing.

What we need:

- A harmonised approach,
- Scientifically grounded, comprehensive standardised footprinting methodology,
- A responsible and wide consumer choice,
- Valuable consumer information.

Source: FoodDrinkEurope view on PEF method









Helping the food companies use the PEF method, beginning with the dairy companies

→ LIFE RENDER

Promoting the implementation of PEF Method in the European dairy sector

Decision support tool specifically designed for dairy SMEs





