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Eco-Score's New Competitor

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Summary

- Later this year, and just a few months after the launch of Eco-Score, Foundation Earth will start a pilot for another environmental front-of-pack label.
- Even though Eco-Score is already in use by Colruyt, Lidl and Carrefour, the Foundation Earth project has several important UK retailers and food producers, such as Nestlé and Tyson Foods, backing them.
- However, multiple labels are undesirable for both food producers and consumers. To achieve most impact, one dominant environmental label should emerge.

A New Environmental Label Has Been Introduced

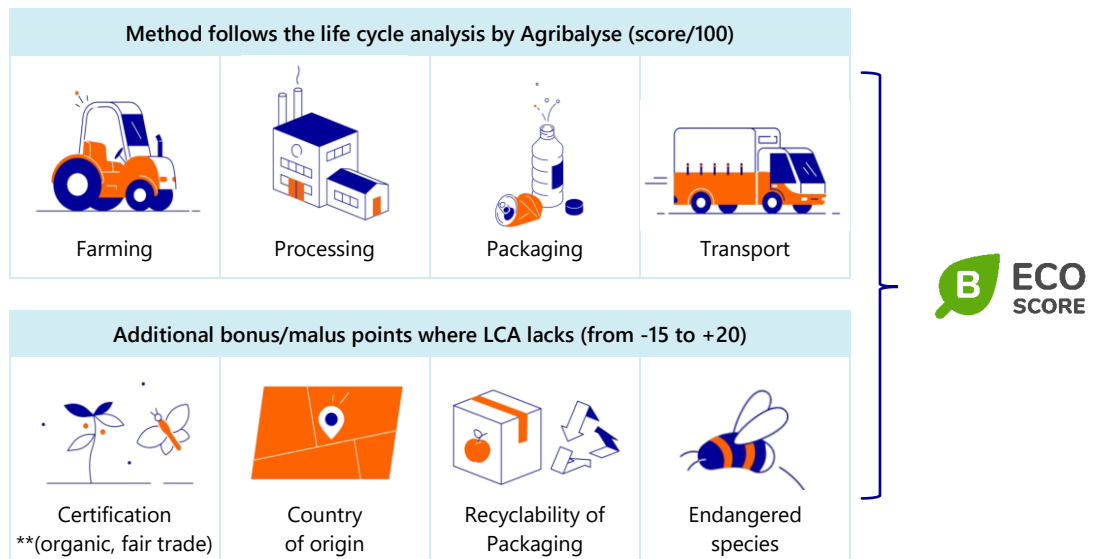
A few months after the [launch of Eco-Score](#), UK-based Foundation Earth will also launch an environmental front of pack label. A pilot at the end of 2021 will test the label on 100 products from food producers like Costa Coffee, Mighty Pea and Meatless Farm. The score ranges from A+ to G and its base is a Life Cycle Assessment (LCA) method developed by consultancy Mondra. Besides this pilot, an R&D programme will start with the aim of merging Mondra's method with another method developed by researchers from KU Leuven and AZTI. This collaboration is funded by EIT Food, an initiative of the European Commission. The aim is to prepare Foundation Earth for a Europe-wide roll out in 2022.

Both scores calculate the environmental footprint of a product using an LCA. This means the total footprint (from farm to fork) of a product is taken into account. Eco-Score uses the database from Agribalyse for that calculation, while Foundation Earth's pilot uses data from the academic paper Poore & Nemecek (2018), weighting carbon (49%), water usage (17%), water pollution (17%) and biodiversity (17%).

Eco-Score takes additional factors into account where it believes the LCA is not sufficient. Bonus or penalty points are given to factors like country of origin and certification for the use of a certain production method such as organic or Fair trade, recyclability of packaging, and biodiversity.

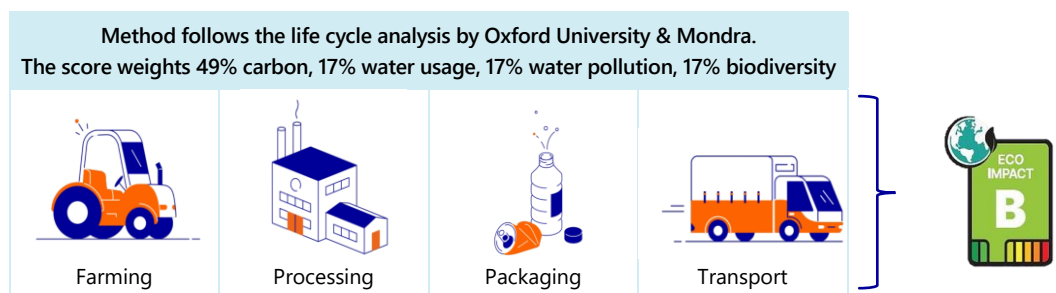
Foundation Earth aims to be more granular in accounting for differences between producers of the same product within its LCA calculation. How they will do that and whether that requires additional effort in terms of data gathering for food producers is still unclear.

Figure 1: Eco-Score calculation



Source: <https://docs.score-environmental.com/>, Rabobank 2021

Figure 2: Foundation Earth calculation



Source: foundation-earth.org, Rabobank 2021

Which Label Will Become Predominant In Europe?

Whereas the Foundation Earth label is still to be piloted later this year, several supermarkets are already using or trialling Eco-Score. Both Colruyt and Carrefour have already introduced the label on many products, and Lidl is testing it out in Germany and the Netherlands. The fact that Eco-Score is ready to use and already on the shelves of multiple supermarkets means it is a step ahead of the competition, something which could work very much in its favour.

However, Foundation Earth has been backed by several large industry players, like Nestlé, Tyson Foods, Greencore, Marks & Spencer, the Co-op and Sainsbury's. It also aims for a European-wide coverage, including not only UK-based LCA methods, but also Belgian and Spanish input. However, the fact that Foundation Earth's method is still very much in development makes it unclear whether it requires more data gathering for food producers as compared to the efforts required for Eco-Score.

Both Producers And Consumers Benefit From One Dominant Label

The fact that multiple environmental labels, challenging each other's methods, are starting to emerge is positive in the sense that it will likely improve the quality of the LCA assessments of products. The more accurate the calculation of environmental impact is, the better quality the information is for consumers in what to buy, and for producers in how to improve.

However, it is desirable for one dominant label to emerge, instead of a fragmented offering of environmental labels.

For producers, it will become increasingly difficult to decide which environmental label to put front-of-pack as they supply to multiple retailers who might support different scores, while putting multiple labels on packaging will add unnecessary costs, and confusion for consumers.

Consumers will be unable to compare different environmental labels, as both the scoring methods, and the range of 'letters', are different. For example, Eco-Score goes from A to E, while Foundation Earth's score goes from A+ to G. The whole purpose of putting environmental impact front-of-pack is being able to compare products within the same product category or across product categories. This is lost if too many environmental labels emerge.

For the sake of both producers and consumers, it would be best if initiators of different environmental labels put their heads together, challenge each other on the method and get as much granularity as possible without putting an enormous data burden on food producers. The end goal should be an EU-wide environmental label, which allows consumers to compare and make sustainable shopping decisions accordingly. Ideally, the European Commission will be involved too as it has included the development of a sustainable food-labelling framework in its Farm to Fork strategy. In the case of environmental labelling, collaboration is key.

Imprint

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