

DEDICATED



Market study on the presence of sustainable products in Belgian supermarkets

carried out for



BTC TRADE FOR DEVELOPMENT

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Acronyms

ACP	African, Caribbean and Pacific Group of States
ASC	Aquaculture Stewardship Council
BSCI	Business Social Compliance Initiative
4C	Common Code for the Coffee Community
FCS	Forest Stewardship Council
FAO	Food and Agriculture Organization of the United Nations
FLO	Fairtrade labelling Organizations International
GGN	Global GAP Number
Global GAP	Global Good Agricultural Practice
GMO	Genetically modified organisms
GRASP	Global GAP Risk Assessment on Social Practice
IFOAM	International Federation of Organic Agriculture Movements
ILO	International Labor Organization
ILVO	Instituut voor Landbouw- en Visserijonderzoek
ISEAL	International Social and Environmental Accreditation and Labelling Alliance
MPS-SQ	More Profitable Sustainability – Socially Qualified
MSC	Marine Stewardship Council
NGO	non-governmental organization
PEFC	Program for the Endorsement of Forest Certification
RFA	Rainforest Alliance
RSPO	Roundtable on Sustainable Palm Oil certification
SA8000	Social Accountability 8000
SAN	Sustainable Agriculture Network
SRP	Sustainable Rice Platform
TBL	Triple Bottom Line
TDC	Trade for Development Center
UNAB	Union Nationale des Agrobiologistes belges
UNCTAD	United Nations Conference on Trade and Development
UNEP	United Nations Environment Program
WWF	World Wide Fund of Nature

1. Introduction and objectives of the study

The Trade for Development Centre (TDC – www.befair.be) of the Belgian Development Agency (BTC) promotes fair and sustainable trade.

In developing countries, TDC aims to economically and socially empower MSMEs (micro, small and medium-sized enterprises/organisations) by enhancing their business and marketing knowledge and improving their access to markets. This is done by conducting market researches allowing these MSMEs to better understand and capture market opportunities, be it nationally or internationally.

Besides, TDC closely observes the evolution of sustainable markets to inform authorities, civil society, consumers and other economic actors as objectively as possible on the relevance and potential of sustainable trade in Europe and in the South.

Within this framework, TDC has decided to conduct a new market study related to the share of “sustainable” products coming from developing countries within the assortments of major Belgian supermarkets.

1.1 Scope

For the scope of this research, TDC chose to focus on 6 categories of products:

- Bananas
- Cane sugar
- Cocoa
- Coffee
- Rice
- Tea

These 6 product categories were chosen as the focus for this research by TDC, because these are tropical commodities produced in the South and because these are core categories for the labels which are internationally recognized as sustainable labels.

The concept of “sustainable” covers a broad definition as it will be discussed later but TDC decided to limit the study to the products carrying one or several of the following labels/certifications:

- Organic,
- Fairtrade (Max Havelaar),
- Rainforest Alliance,
- UTZ Certified.

This concerns so-called “third party” certifications, the compliance of which being verified by a third party organization (independent from the certified organization and from the organization that drew up the specifications¹). The third party certification provides independent and impartial confirmation that a product fully meets a set of published specifications.

¹ Within the context of the certifications, a set of “specifications” comprises a full range of economic, social and environmental criteria that must be fulfilled in order to receive certification.

Specifically, TDC wants to gain information about:

- the share of sustainable products within the assortments of each supermarket,
- the share of sustainable products within the private labels,
- the share of sustainable products within the premium brands,
- what the objectives, attitudes and expectations are of supermarkets when it comes to increasing the presence of sustainable products within their product range.

By “private labels”, we mean store own brands, thus the brands belonging to a company or a group of companies. In this case, these will be the brands belonging to the supermarket chains studied.

By “premium brands”, we mean brands that are not store own brands.

TDC already conducted researches on sustainable bananas, coffee, tea and cocoa in 2011 and 2012. With this study, TDC intends to identify new tendencies and evolutions, at least regarding the four categories which were analyzed back then.

1.2 Methodology

To achieve the aforementioned objectives, 3 approaches, which enhance each other, have been deployed:

- a quantitative analysis,
- desk research and
- a qualitative analysis

Quantitative research

This involves carrying out store visits in N=56 retail outlets in order to determine the share of sustainable products relative to each product category and how the various sustainable labels are represented.

N = 11 supermarket chains were visited:

- Aldi
- Carrefour Hyper/Carrefour Market
- Carrefour Market Mestdagh
- Colruyt
- Cora
- Delhaize
- AD Delhaize
- Intermarché
- Lidl
- Makro
- Spar

The supermarket chain managers were asked to identify their biggest and most representative retail outlets, geographically located anywhere in Belgium.

The visits took place between December 21, 2015 and January 29, 2016. The average length of a supermarket visit was 3 hours.

Note:

- As was the case for the previous study in which the chain refused to participate, (S)Match gave no response to our numerous requests.
- Carrefour requested that 3 Carrefour Markets would be audited, in addition to the 5 Carrefour Hypermarkets scheduled. This gives a total of 8 retail outlets visited for the Carrefour group.
- We were only given authorization to visit 3 Spar stores.
- 10 Delhaize group retail outlets were visited: 5 Delhaize supermarkets and 5 AD Delhaize.

The collected data is presented in 3 tables for each product category:

- Total assortment: the total offer of sustainable products for all brands. These results are also shown in the barometers.
- Private label: the offer of sustainable products within the private labels (distributor brands)
- Premium brand: the offer of sustainable products within the premium brands

In each of these tables, the 1st column shows the share of sustainable products in all the groups of products that were analyzed within a product category (as example, for the category Cocoa, 3 groups were considered: Cocoa powder, Chocolate spread and Chocolate bars). The following columns show the results for each of the groups separately.

The share of the labels are shown in separate tables.

Desk research

This part consolidates various information regarding the 6 product categories studied, the market for sustainable products, the concept of “sustainability”, labels, etc.

This makes it possible to create a context through which the collected results can be interpreted.

Qualitative research

This stage involves collecting information through in-depth face to face interviews with the managers of the chains audited, but also with “experts” like the representatives of labels, certification bodies and product organizations.

N=9 face-to-face interviews were carried out with chain representatives. These interviews were an opportunity to show them the results from the visits made to their respective stores, but also to find out about their attitude and expectations regarding the range of sustainable products.

Note:

- Only Cora did not respond to our interview requests.
- Aldi chose to answer our questions in writing.

N=5 face-to-face interviews were carried out with label/certification and brand representatives. These interviews provided an opportunity to take a closer look at the major

trends and developments in the sustainable market, but also to understand the mechanisms for product certification and their implications in real terms.

We have met:

- Market Manager of Fairtrade Belgium
- Director of Certisys
- Communication Manager of Certisys
- CEO Ethiquable Benelux, Sales & Marketing Manager of Ethiquable
- Quality Manager Production & Supply chain of Rombouts

2. Sustainability

2.1 Definitions

Sustainability is a dynamic continuum and can best be perceived as an ongoing process rather than a static achievement. The generally accepted definition of “Sustainability” by the international development community, states that “in order to achieve sustainability, long-term environmental, social, and economic needs must be met in an integrated manner without compromising the ability of future generations to meet their own needs”.

The environmental sustainability is the ability to maintain rates of renewable resource harvest, pollution creation, and non-renewable resource depletion that can be continued indefinitely.

The economic sustainability is the ability to support a defined level of economic production indefinitely.

The social sustainability is the ability of a social system, such as a country, to function at a defined level of social well-being indefinitely.

Sustainable trade is a more recent concept than that of sustainable development. It results from combining the concepts of sustainable development and trade.

A report by the Institut International pour l’Environnement et le Développement² (IIED) [International Institute for Environment and Development] describes sustainable trade as being an exchange of goods or services generating economic, social and environmental benefits and thus respecting the four foundations of sustainable development:

- Creation of economic value
- Reduction of poverty and inequalities
- Regeneration of natural resources
- Framework of good governance.

2.2 General information on sustainable products

Producing and marketing sustainable products entails focusing not only on decent working conditions, but also on protecting workers, and on the fact that trade is carried out with real consideration of environmental resources and concern for the preservation and regeneration of raw materials³.

Fair trade and organic are specific sustainable trade models.

For several years we have been witnessing the emergence of new consumer concerns. If in the past, buying at the most attractive price was the priority, this would seem to no longer be the only motivation today. Indeed, in Belgium, as in the majority of “developed

² The IIED is an independent international center for research into sustainable development based in London. For further information visit www.iied.org

³ <http://www.befair.be/fr/content/d%C3%A9finition-1>

countries”, consuming freely without compromising the lifestyles of future generations appears to be of ever greater importance.

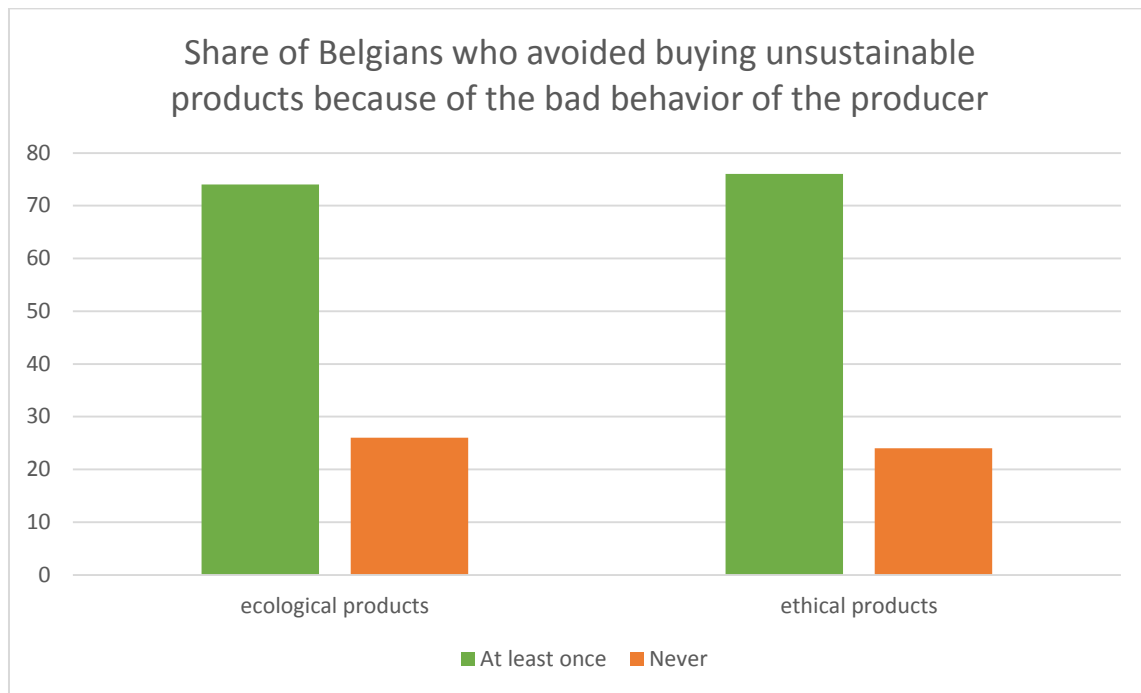
A study carried out by organization “Test-achats” in 2013⁴ actually showed that Belgians want to get up to speed in terms of sustainable consumption. We have listed some of the results of this survey below to have a view on Belgian habits with regard to sustainable consumption.



The graph above shows that approximately 80% of Belgians voluntarily bought at least one ecological product and one ethical product in 2013. This simultaneously shows a good understanding of the concept of sustainable products but also a real desire for sustainable consumption among Belgian consumers.

The graph below also shows that a similar proportion of Belgian consumers are ready to stop purchasing non-sustainable products in favor of more ethical or ecological solutions.

⁴ *Consommation éthique : De quoi parle-t-on ?*, Test –achats n°575, Mai 2013



Furthermore, a study⁵ conducted by Dedicated in 2016 revealed that Belgians are prepared to pay 28% more for an organic product, 35% more for a fair trade product and 48% more for a product that is both organic and fair trade.

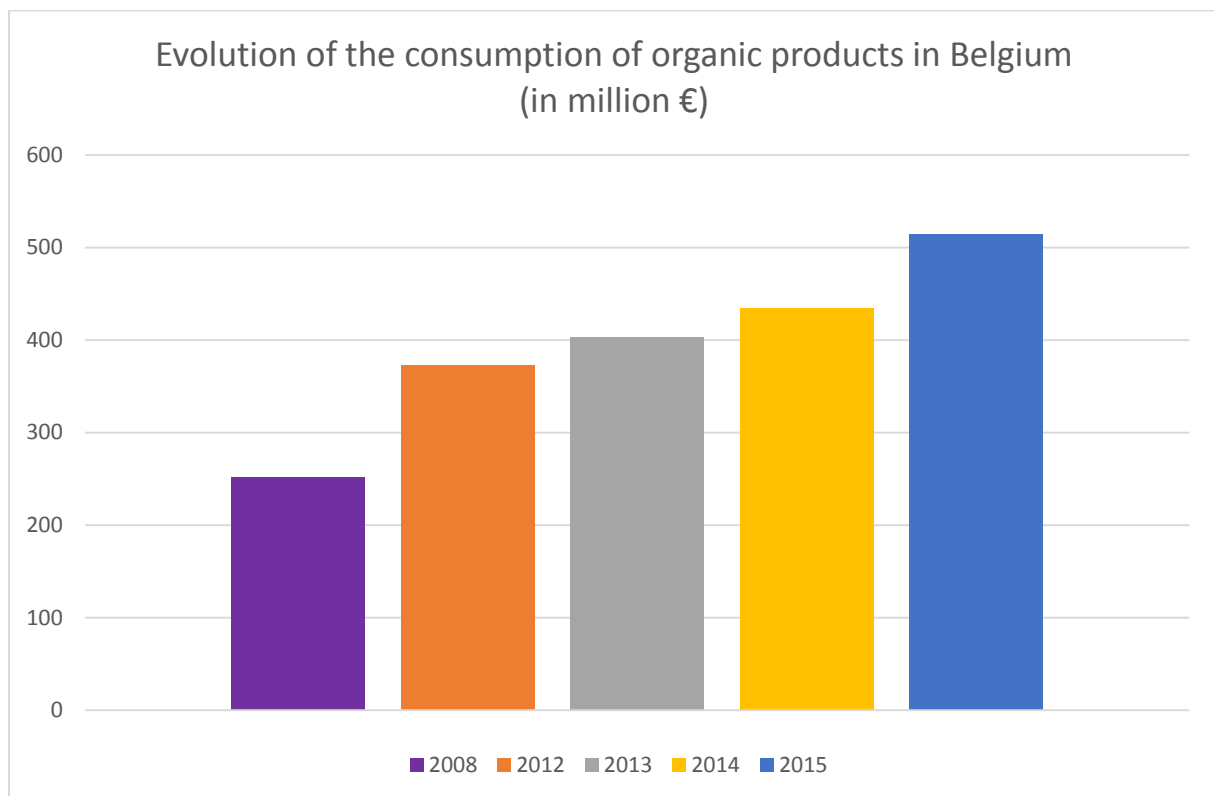
2.2.1 Produce from organic farming

Organic produce is amongst the most represented sustainable produce in our supermarket aisles. Organic products are distinct from fair trade products as they do not necessarily entail an altruistic dimension (“I’m eating healthily to save the planet” or “I’m buying at the fair trade price so that producers can live with dignity”) but rather a logic that can also be focused on one’s own quality of life (“I’m eating organic to stay healthy”).

Despite the economic crisis that has been affecting Europe and Belgium for some years, the consumption of organic products is steadily increasing in Belgium as the following graph shows⁶. It should in fact be pointed out that even if the number of people consuming organic produce remains the same, purchasing frequency for organic products has increased, rising from 13.4 to 15 times a year.

⁵ Baromètre 2016 sur le commerce équitable, http://www.befair.be/sites/default/files/all-files/opinion-polls/Barometre%20commerce%20equitable%202016%20FR_0.pdf

⁶ http://www.bioforumvlaanderen.be/sites/default/files/Le_bio_en_chiffres_-_2013.pdf



In spite of this increase, we should nevertheless consider the importance of organic produce in Belgium in context. The market share for fresh organic produce was in fact only 2.8% in 2015, a very slight increase as it was 2.3% in 2014 and 1.3% in 2008.⁷

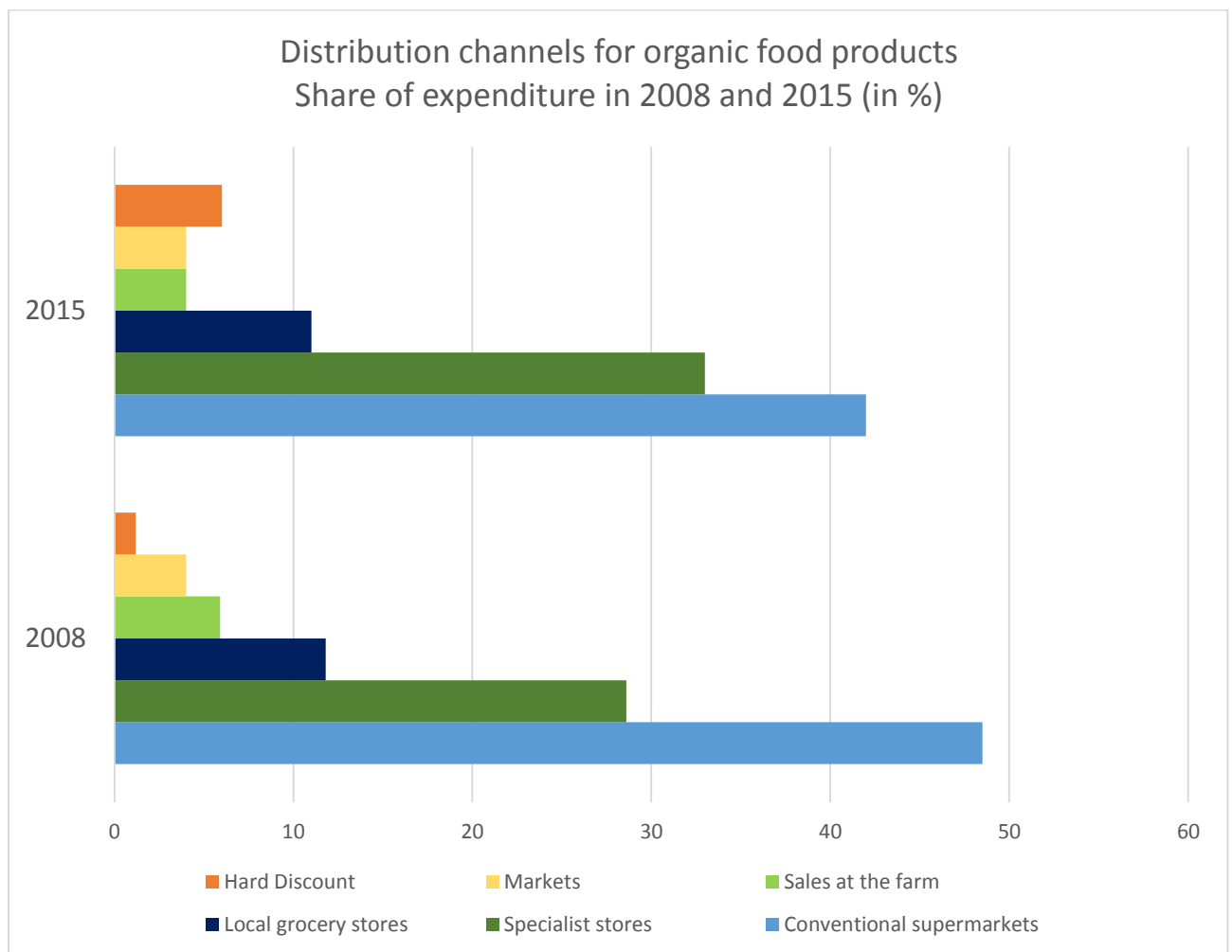
Belgians spent most on plant based organic produce (fruit, vegetables and potatoes) in 2015, followed by animal products (meats, eggs, fish), dairy products, cereal products, then wines, beers and fruit juices.

Distribution channels for organic produce

In 2015, almost 9 out of 10 Belgians bought at least one organic product. But where do Belgians do their shopping?

The main source of provisions remains the supermarket. In fact, almost half of all organic products are bought in conventional supermarkets. This share fell slightly between 2008 and 2015 but does not seem to have been significantly challenged. Specialist stores have seen a five per cent increase with 33% in 2015. This is also the case for Hard Discount stores which have gone from a 1.2 to a 6% market share.

⁷ <http://www.biowallonie.com/wp-content/uploads/2016/05/Le-bio-en-chiffre-2015.pdf>



Having reviewed sales of organic products in Belgium we will now take a look at fair trade products.

2.2.2 Products resulting from fair trade

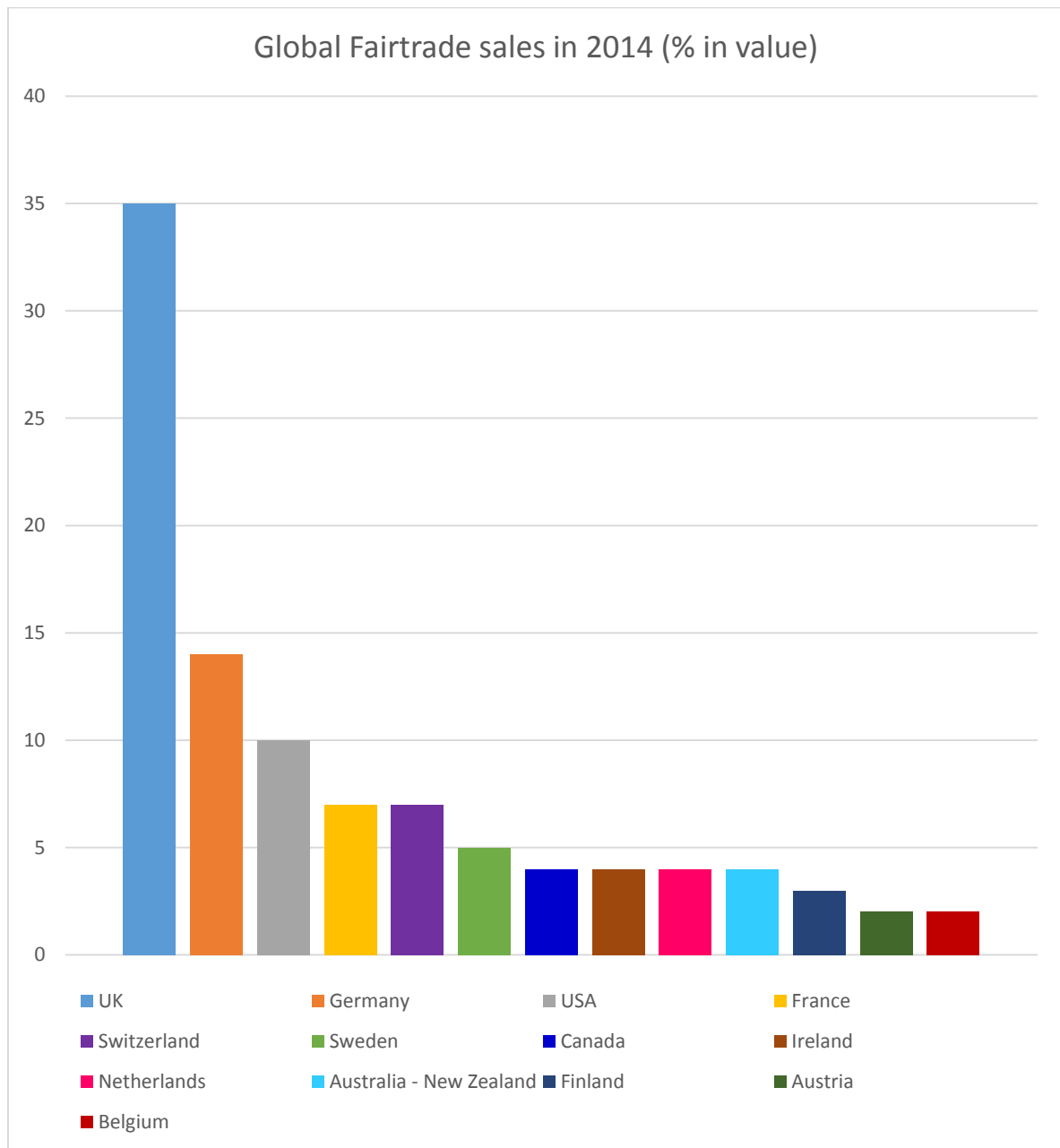
We will first look at fair trade at the global level, before focusing on fair trade in Belgium.

2.2.2.1. About fair trade worldwide⁸

Most fair trade takes place between producers in the South and consumers in the North.

A glance at the graph below shows us who the main consumers of fair trade are:

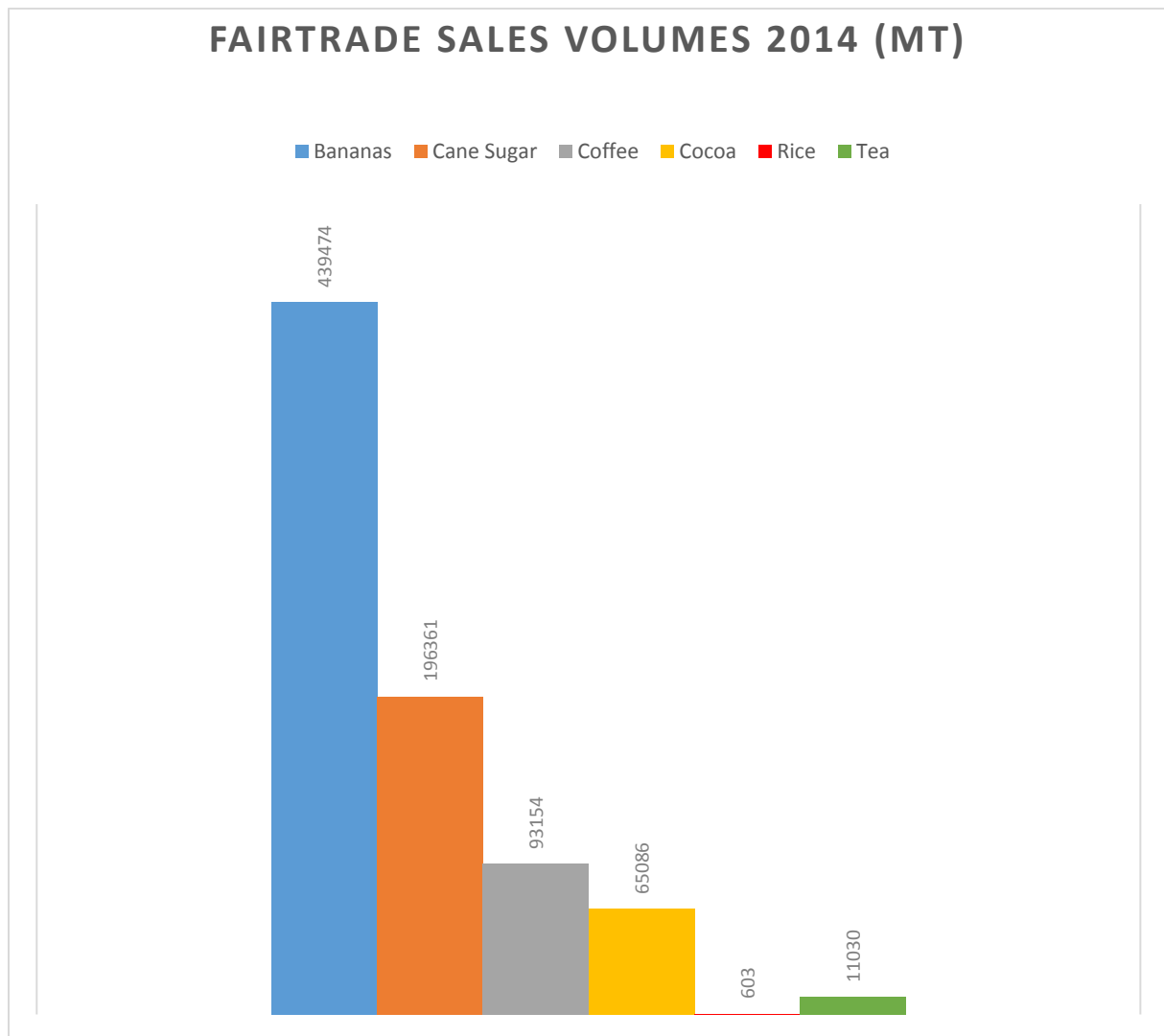
⁸ <https://annualreport14-15.fairtrade.net/en/global-fairtrade-sales/>



Global sales reached €5.9 billion in 2014, a 10 percent increase since 2013. In this ranking, we see that the 14 countries that have the highest sales of fair trade products are all located in the West. Belgium is the 13th country with approximately 2% of worldwide sales of fair trade products in 2014.

On the international level, we are seeing the diversification of “fair” production. However we decided to focus our study more closely on six main consumer products coming from countries in the South.

The table below summarizes the sales of these six products in 2014⁹:



The share of food products in the consumption of fair trade products is continuously rising. Sectors such as fair trade fashion, textiles and decoration have existed for over 20 years but are, if anything, in decline. On the other hand, one of the current trends is, for example, the creation of natural and organic fair trade cosmetics (Natyr, Gala Cosmetici, Alter Eco, Thémis). Even more surprisingly, a smartphone can now also be fair trade. In January 2016, Fairphone announced it was using Fairtrade gold in the manufacture of its products¹⁰.

We are also seeing this diversification of the fair trade range with the emergence of fair trade services. This is, for example, the case with solidarity tourism offered by organizations such as, “Altervoyages” or “Minka”¹¹.

⁹ Idem.

¹⁰ <https://www.fairphone.com/2016/01/27/how-we-got-fairtrade-certified-gold-in-the-fairphone-2-supply-chain/>

¹¹ Le Commerce équitable aujourd’hui [Fair Trade today], Etat des lieux, tendances et positionnement d’Oxfam-magasins du monde [Current situation, trends and positioning of Oxfam-world shops], P.Veillard March 2013, p12

Finally, to complete this overview of fair trade at the worldwide level, it would seem necessary to discuss a new form of fair trade which does not take place between Southern and Northern countries but within the Northern countries themselves. This practice emerged following the milk crisis that European producers experienced in 2009.

It thus involves buying milk at the “fair” price from local producers so that they can live with dignity. By way of example we can cite Faircoop which was established in Belgium in 2010. This cooperative buys milk produced in Belgium from producers, guaranteeing them a fair purchase price, above that of the market.

2.2.2.2. Fair trade in Belgium

The main operators in the Belgian market

The first Belgian world shop opened 45 years ago in Antwerp. Since then, sales of products resulting from fair trade have considerably increased.

Belgium has some major fair trade organizations. Besides Oxfam [sic]¹², which sells products in its own World shops but also in large stores, there is also “Ethiquable”, a fair trade cooperative established in Benelux and France. Fairtrade Belgium (formerly Max Havelaar), which celebrated its 25th anniversary in 2014, puts its label on fair trade products sold in major stores (of which Delhaize was the first) and in specialist stores. The label was, for that matter, created partly on the initiative of producers looking to find opportunities in distribution channels other than specialist boutiques.

The supermarkets have thus become, in a very short period of time, one of the major fair trade players in Belgium. Fairtrade Belgium reveals that, in fact, 53% of fair trade purchases are made in supermarkets¹³.

In 2014, sales of fair trade products were worth 115 million euros, including 105 million euros of certified Fairtrade products. That year, Belgians therefore spent an average of €10.34 on fair trade products. This is undoubtedly better than in 2013 (€8.6), but we are not on the honor roll. The British (€32.2) and the Swiss (€52.8) have done much better. For their part, the Dutch spent €12.74 on fair trade products, while the French did less well (€7.52), and the inhabitants of southern Europe are bringing up the rear: Spain and Portugal (€0.44), Italy (€1.50).¹⁴

This consumption is particularly encouraged during the “Fair Trade Week”, which has been a fixture in Belgium for fifteen years, starting on the 1st Wednesday of October and lasting for 10 days.

This increasing awareness of fair trade is notably down to the labels which have sought to gain exposure for their cause.

¹² Oxfam - Wereldwinkels, Oxfam - World shops and Oxfam Fair Trade

¹³ Fairtrade Belgium, April 2016.

¹⁴ Trade for Development Center, October 2015.

3. Sustainable labels

3.1 Definition

A label is a special brand which can be created by a trade association or parapublic agency, having a logo which is borne by a product intended for sale, to certify its origin, quality and the conditions of its production in accordance with standards that have been pre-determined in a set of specifications.

To use the term “label”, a private brand must meet 3 requirements¹⁵:

- the characteristics must be collectively determined by a professional organization
- assessment is carried out by a certification body
- in the case of farming and food produce, the use of the word must not lend itself to confusion with an agricultural label, i.e. it must not appear to be a quality label

3.2 Introducing the labels



In 1988, the first label for fair trade products was established in the Netherlands, under the name “Max Havelaar”. Initially, the label offered certification for coffee alone, prior to diversifying its range. Other organizations created their own “Transfair et Fairtrade” [Transfair and Fairtrade] label. In 1997, the international fair trade labels (such as Max Havelaar, Transfair and Fairtrade) united under a single organization, Fairtrade Labelling Organizations International (FLO), in order to coordinate their activities. The FLO and the World Fairtrade Organization suggested then a Charter of Fair Trade

Principles¹⁶ as:

“A trading partnership, based on dialogue, transparency and respect that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South”.

The Fairtrade label is the main fair trade label, and the best known at the international level (56%)¹⁷, but also at the national level. In fact, a recent survey¹⁸ carried out by Dedicated in 2016 revealed that 66% of Belgians recognize the Fairtrade label. Regarding the renown of fair trade organizations, the latter is preceded by Oxfam-World Shops (88%) and Oxfam Fair Trade (71%).

The Fairtrade standards represent a real framework for sustainable production and notably comply with the three pillars of sustainable development: People, Profit, Planet.

¹⁵ Le Commerce équitable aujourd’hui [Fair Trade today], Etat des lieux, tendances et positionnement d’Oxfam-magasins du monde [Current situation, trends and positioning of Oxfam-world shops], P.Veillard March 2013, p16

¹⁶ FLO–WFTO, January 2009, a Charter of Fair Trade principles.

¹⁷ Survey conducted by Fairtrade International involving 10,000 consumers spread out over 17 countries.

¹⁸ Baromètre 2016 sur le commerce équitable, http://www.befair.be/sites/default/files/all-files/opinion-polls/Barometre%20commerce%20equitable%202016%20FR_0.pdf

The Fairtrade system is applicable to both small-scale producers (80%) and plantation workers (20%). The system helps the benefitting organizations coping with market volatility by giving them better access to finance, [facilitating] the construction of solid relationships with buyers and improving contractual conditions. It facilitates the organization of producers into strong and structured cooperatives functioning in a transparent and democratic manner. The label guarantees a minimum price for producers, and offers them a system of development premiums (bonuses) and prefinancing.



Formally launched in 2002 as Utz Kapeh (meaning “good coffee” in the Mayan language, Quiché), **UTZ certified** was founded on the principles of improving market transparency while promoting good agricultural practices at the farm level.

Utz is best known in Switzerland and the Netherlands. In a survey carried out by Dedicated in 2016, 13% of Belgians said they were aware of the label. Utz Certified is involved in the certification of raw materials such as coffee, cocoa, tea, palm oil and nuts¹⁹.

It is not one of the most restrictive labels as it authorizes a certain level of pesticides and sets no minimum purchasing price. It does, however, guarantee the rights of workers, their safety at work and healthcare access for themselves and their families²⁰.



Rainforest Alliance (RFA) is an international NGO which aims to maintain biodiversity and ensure local populations have sustainable livelihoods. Rainforest takes a particular interest in the issue of deforestation by encouraging producers to cultivate and manage their lands in a more sustainable manner. Any RFA certified farm must comply with the social and environmental standards of the Sustainable Agriculture Network (SAN) drawn up

on the basis of the ISEAL [International Social and Environmental Accreditation and Labelling] Code of Good Practice. This label covers a large category of products, notably coffee, chocolate, tea, fruit, cut flowers, paper and furniture²¹. Like Utz Certified, Rainforest Alliance does not guarantee a minimum price. However, it is better known than that of Utz certified, with 35% of Belgians declaring that they were aware of the label, during the survey carried out by Dedicated in 2016.

¹⁹ <https://www.utz.org/>

²⁰ <http://www.oxfammagasinsdumonde.be/wp-content/uploads/2010/11/tout-savoir-sur-le-commerce-equitable.pdf>

²¹ <http://www.rainforest-alliance.org/fr/about/marks/rainforest-alliance-certified-seal>



The International Federation of Organic Agriculture Movements (IFOAM) defines organic farming as a system aiming to produce healthy foods and textiles, by eliminating the use of synthetic fertilizers, pesticides, growth regulators, food additives for animals and genetically modified organisms (GMOs)²².

Little known initially, organic certification grew rapidly. Certification organization "Certisys" claims to have certified more than 1000 Belgian farmers in 2014.

There are numerous labels offering organic guarantees. Initially, there were only private, national labels setting criteria to be fulfilled. Then, the European Union decided to standardize the regulations, and since 2010, the EU organic label (often named "Euro-leaf") has been mandatory for all products claiming to be organic in European territory. The European label prohibits pesticides and chemically synthesized fertilizers. To carry the label, a processed product must contain at least 95% organic ingredients and less than 1% GMO contamination. Private, national labels still exist and cover areas that are not covered by the European label, for example packaging. In Belgium, the national label is "Biogarantie". While the European label is better known in Flanders, the Walloons are more familiar with the French label, AB [Agriculture Biologique (Organic Agriculture)].

The "Bio" [Organic] designation is protected, and therefore implies a control for any producer using it. The labels of products certified organic must display the following information: 1) "Organic" designation, 2) product origin: EU/Non-EU, 3) regulatory body number, 4) percentage of ingredients coming from organic farming.

Proliferation of labels

One of the consequences of the success of sustainable products has been the creation of multiple labels having criteria with varying levels of stringency. There are a large number of terms and labels like organic, ecological, biological, fair trade, ethical, sustainable, and responsible that overlap and cause uncertainty. Some organic certifiers such as Ecocert in France have also developed standards for certifying ethical products. Moreover, the environmental criteria have been made more stringent by ethical product certifiers. One could expect that a consequence of this confusion is a reduced willingness to pay for these (products). Fair trade guidelines are not mandated by any law and there is increasing evidence of (products) using 'fair' or 'ethical' verbiage to sell products that are not FLO (Fairtrade Labelling Organizations International) certified or otherwise independently verified²³.

To avoid this risk of confusion, the Trade for Development Center is in favor of fair trade legislation which could moreover be used by the public authorities as a reference if they

²² <http://www.befair.be/fr/content/d%C3%A9finition-2>

²³ <http://www.ico.org/libser/executive%20summary.pdf>

want to develop new tools to support fair trade or impose conditions concerning fair trade within the context of public contracts.

On the other hand, although the labels make it possible to identify fair trade products, it is possible for a product not bearing any label to have nevertheless been the result of fair trade. Indeed, there are products for which FLO has not set any criteria to be met in order to obtain the label. Furthermore, the labelling process involves a non-negligible cost which acts as a deterrent for some producers.

Labels such as Rainforest Alliance, UTZ Certified and the 4C code of conduct cannot be equated to fair trade since they do not include any guaranteed minimum price, or pre-financing. For Oxfam, a growing number of multinational companies are using these labels to improve their brand image at low cost, owing to the lower economic requirements of the sustainable labels and the confusion created among consumers. However, these companies would use lobbying services that defend the trade regulations against which the traditional fair trade organizations are fighting²⁴.

Certisys: meeting with a certification body for sustainable products

Certisys is an organic certification body that has been active for 30 years. It was the first regulatory body recognized in Belgium. There are 3 others. Demand for organic certification is steadily increasing; there are on average around one hundred new operators (farmers, food processors, importers, distributors) a year, with an exceptional demand from 200 new operators, between 2013 and 2014. Certisys monitors 3/4 of operators in Belgium.

In addition to organic certifications, Certisys also performs audits for Fairtrade, UTZ and other organizations.

While there are equivalent monitoring systems for organic products in other countries such as the USA, Canada,... the same is not true for African products. Certisys also carries out controls on products imported from Africa in order to ensure that they are fully compliant with European standards. This auditing takes place throughout the entire production chain: production – importation – processing. The label therefore constitutes a guarantee of traceability.

²⁴ Le Commerce équitable aujourd'hui [Fair Trade today], Etat des lieux, tendances et positionnement d'Oxfam-magasins du monde [Current situation, trends and positioning of Oxfam-world shops], P.Veillard March 2013, p16

4. Chains: policy with regard to sustainable products

For the purposes of our study, we have established a definition for the term “sustainable products”.

Thus, “sustainable products” shall be used to refer to only those products bearing one or more of the following labels: Fairtrade, UTZ Certified, Rainforest Alliance and Organic.

4.1 Aldi



ALDI trading group has a presence in nine European countries. In Belgium, the chain has approximately 450 stores. The company responsibility policy rests on 5 pillars: responsibility of the chain, respect for its employees, the conservation of natural resources, societal commitment, and dialogue.

Aldi considers itself to be active, even proactive, regarding the sustainable product offering. All countries in the ALDI North Group²⁵ are aiming to switch to 100% sustainably certified cocoa (Fair Trade, Rainforest Alliance or UTZ Certified) for all own branded items by the end of 2017, and 100% sustainable palm oil (RSPO [Roundtable on Sustainable Palm Oil]) in food products by the end of 2016 and in non-food products by the end of 2018.

The chain “promise” is “Superior quality, Low price”. While the term sustainable implies that the products are more expensive, Aldi is tasking itself with making sustainable products affordable for everyone.

In addition to the products that this study is focusing on, Aldi sells various other sustainable products:

- Wine with the bio and Fairtrade label.
- Cut flowers with the MPS-SQ [Milieu Project Sierteelt - Socially Qualified] label.
- Wood and paper products with the FSC [Forest Stewardship Council] or PEFC [Program for the Endorsement of Forest Certification] labels.
- Products containing RSPO certified palm oil (no label).
- Fish and shell fish with the MSC [Marine Stewardship Council] or ASC [Aquaculture Stewardship Council] label.
- Fruit and vegetables from Global GAP [Good Agricultural Practice] and GRASP [GLOBAL GAP Risk Assessment on Social Practice] certified producers.
- Cleaning products with the Sustainable Cleaning label.

4.2 Intermarché



Intermarché belongs to the Groupement des Mousquetaires [Mousquetaires Group], which brings together entrepreneurs and independent business leaders. There are 83 retail outlets in Belgium.

Intermarché store managers are independent and free to choose their own product ranges. There is therefore no overall chain policy with regard to sustainable products.

²⁵ The ALDI North Group includes stores in Belgium, Denmark, Germany, France, Luxembourg, the Netherlands, Poland, Portugal and Spain.

Intermarché sells sustainable products based on its customer demand and the consumption of these products observed in store. Their aim is to offer quality products at affordable prices. The group is focusing more on their local product offering (100% Belgian milk, local fish, meat and deli meat products) and on organic products than on fair trade. Moreover, Intermarché has observed a lack of enthusiasm for fair trade products amongst its customers, which has prompted it to stop participating in the “Fair Trade Week”.

Nevertheless, the chain is concerned about the environmental impact of its products, notably through packaging, transportation, but also in the actual infrastructure of its buildings.

4.3 Spar



Spar is a network of independent stores affiliated to Colruyt Group. Although Spar offers Colruyt own brand products, the choice of products offered to consumers is specific to each manager. With stores being small in size and having a

limited number of items, the proportion of sustainable products can vary significantly from one store to another.

It should be noted that we only received authorization to visit 3 retail outlets.

4.4 Lidl



Lidl is one of the leading volume retail chains worldwide.

It has 294 stores in Belgium. For many years, sustainability was not explicitly part of the strategy at Lidl. This is now changing. We are seeing a real willingness to develop its policy and its sustainable product offering. Lidl is currently looking to move away from its reactive attitude towards an active role. This new interest is a result of consumer demand, but also of the chain's desire to assume its social responsibility. In this respect, Lidl currently defines itself as a “smart-discounter”; offering customers quality products at low cost, but with due regard for sustainability.

Lidl expanded its range of sustainable products between 2013 and 2014 from 131 to 153 products (bearing one or more of the following labels: Fairtrade, UTZ, Bio, Ecolabel, MSC, ASC). Having a limited number of products (1,800), out of which 90% are own brand, Lidl wishes to offer sustainable options for each product category and even to offer consumers sustainable products only for certain items. The group is also focusing on local production with 41% of products coming from Belgian suppliers.

Lidl has a fair trade brand called “Fairglobe” (Fairtrade certified), as well as an organic brand called “Biotrend”.

The chain has recently announced its new CSR Strategy 2020 with concrete and ambitious goals on sustainable products.

Finally, renewable energy production, with the installation of photovoltaic panels on the roofs of some stores, in addition to the processing of organic waste are also part of the group's strategy.

4.5 Cora



Belonging to the Louis Delhaize group, Cora has less than ten hypermarkets in Belgium. In 1998, the chain launched its organic product range under the name “Cora Nature Bio”. Although this range was extended to include numerous products (meats, poultry, breads, fruit and vegetables, chocolate, coffee, tea,...), and Cora also sells fair trade products, the chain has no real commercial strategy specific to sustainable products. Cora puts greater emphasis on product quality (traceability of meat, fish, bakery, and dairy products) which is based on controls and a rigorous set of specifications.

4.6 Makro



MAKRO (in other countries METRO) is part of METRO Group, listed on the Dow Jones sustainability index, and chosen as industry leader Food & Staples Retailing in 2015 and 2016.

Worldwide, the chain has a somewhat unusual positioning with regard to the other chains. It is not actually a chain directly intended for consumers but a wholesaler whose products (90,000 items) are sold on by retailers.

The consequence of this particularity is that METRO/MAKRO reaches a higher number of direct and indirect consumers. With a presence in 25 countries, METRO/MAKRO reaches out to around 21 Mio. customers and through them to countless end consumers.

This international reach hands METRO/MAKRO a more comprehensive approach to a sustainability strategy, in which METRO/MAKRO focuses on the spheres of activity “Offer”, “Operations”, “Employees” and “Corporate Citizenship”. Within these spheres, METRO/MAKRO set clear strategic goals: E.g. by 2020 all own brand products will be containing sustainably sourced palm oil and wood and paper from sustainable forestry. As number one European fish-seller, METRO/MAKRO already offers traceability services to further control and reshape the fish consumption and works towards Sustainable Fish, covering until 2020 80 % of its 12 best-selling fish species. Mindful of its larger customer base, METRO/MAKRO also carries out numerous controls and audits on respect for human life and the rights of workers with its suppliers.

The company reports on its efforts in its yearly “Corporate Responsibility Report”, which can be found on the corporate website, and METRO Group has just recently been ranked 7th in the UNITED NATIONS Index on sustainable companies.

4.7 Carrefour



With a presence in over 30 countries, Carrefour Group has 748 stores in Belgium (Carrefour Hypermarché/Hypermarkt, Carrefour Market, Carrefour Express and Carrefour Drive). For the purposes of this study, we visited 5 Carrefour Hypermarkets, in addition to 3 Carrefour Markets.

Carrefour has a sustainable development policy focused on three areas:

- the fight against waste,
- concern for the environment and biodiversity,
- and collaboration with local producers.

In fact, meat, seasonal fruit and vegetables, milk, deli meats and bread are almost entirely of Belgian origin.

Furthermore, Carrefour is focusing on sustainability through the careful use of energy in its stores, but also through the full production processes of its products. Carrefour is working with SA 8000 certification, which guarantees social criteria, and carries out audits to prevent social dumping in product importation. Carrefour also guarantees the traceability of all of its products.

The chain has a fair trade brand, “Carrefour Solidair” (certified Fairtrade, and also organic for some products), as well as an organic brand, “Carrefour Bio”. Carrefour is also collaborating with the Utz Certified label, appearing on certain varieties of its coffee.

While Carrefour was initially seeking to develop its own sustainable products, it has redefined the positioning of Carrefour brand products and favors now national brands.

However, the chain recognizes that the range of sustainable products is more important in certain areas where there is greater demand.

4.8 Carrefour Market - Mestdagh



Previously known as Mestdagh supermarkets, then Champion, Mestdagh Group currently has 83 Carrefour Market – Mestdagh outlets in Belgium. Although its assortment is 90 to 95% identical to that of Carrefour

Group, the chain recognizes that its business strategy is not focused on its range of sustainable products. In this respect, they are relatively reactive and adapt to customer demand. As for the consumption of sustainable products, Carrefour Market – Mestdagh is observing a real geographical split notably linked to the knowledge and buying power of their customers. Thus, sustainable products are having greater success in Brussels and Brabant, than in the south of the country. The clientele of Carrefour Market – Mestdagh has a greater interest in local products than in products certified as sustainable.

However, the chain claims that it was the first to collaborate with Ethiquable. Furthermore, in accordance with Carrefour Group’s promotional campaigns, the chain participates in the “Fair Trade Week” every year, as well as in the “Banana Boost” activity, launched by Fairtrade in 2014, to celebrate the fair trade banana.

4.9 Colruyt



With regard to its range of sustainable products, Colruyt has been a pioneer amongst the Belgian supermarkets. The chain has its own organic brand, “Bio-time”, which meets the specifications of the European organic label.

Colruyt Group also has the “Bio-planet” store network, all products of which are certified organic and can also bear another sustainable label. With Bio-planet, which has 18 retail outlets in Belgium, the group currently has over 6,000 organic products and 200 Fairtrade products. This is one of the largest sustainable product offerings on the Belgian market. Customers also have the option of doing their shopping online (<https://bioplanet.collectandgo.be>) and then collecting their purchases from a Colruyt store. Furthermore, when a product is successful at Bio-planet, it is also sold in Colruyt.

It should be noted that Bio-planet stores and the online range have not been taken into account in our study, which Colruyt group regrets.

With its Colibri Foundation, the chain is supporting education and training projects in the South and in Belgium.

Colruyt Group deploys 3 main procedures to make products “sustainable”:

- use of existing certification systems: Bio, Fairtrade, Utz,...
- the development of its own method of evaluating the sustainability of own brand products, in partnership with independent Belgian scientific institutions, such as the Institute for Agricultural and Fisheries Research (ILVO).
- the development, in partnership with NGOs, of chain projects, with the aim of collaborating with small producers in the South in order to sell their products through Colruyt, while also enabling them to expand in the local market. Projects underway notably pertain to Benin rice, Burundi coffee and Senegalese bananas. Colruyt aims to develop 10 chain projects of this kind by the end of 2017.

Although these last 2 procedures do not lead to official certification, the Group considers the products that result from them to be sustainable products, notably through the social audits carried out for all products coming from the South (SA8000 methodology²⁶).

Finally, in addition to the product categories of interest to us within the context of this study, Colruyt is proud to be the only supermarket selling ASC (Aquaculture Stewardship Council) certified scampi.

²⁶ SA8000 is a social responsibility standard which protects decent working conditions. It is a code of conduct for companies, focusing on the social aspects of sustainable development.

4.10 Delhaize



In Belgium, Delhaize Group has more than 800 stores, through its various subsidiaries: Delhaize, AD Delhaize, Proxy Delhaize, City Delhaize, Delhaize Shop'n Go, Tom & Co and Red Market.

Within the context of our study, we've focused on Delhaize supermarkets and AD Delhaize stores.

In 2010, Delhaize Group set its 2020 Sustainability Strategy divided into 4 focus areas: promoting sustainability into its private brand products, reducing waste, promoting healthier lifestyles, and employing a diverse group of associates.

Delhaize has one of the biggest selections of certified sustainable products of all of the Belgian supermarket chains. The store offers consumers over 600 certified organic products, and 70 to 80 certified Fairtrade products.

More specifically, the Delhaize brand sells organic products (branded "Delhaize Bio") and fair trade products, and has been collaborating with UTZ on tea and coffee since 2015.

Alongside its selection of products derived from fair trade, Delhaize also prioritizes local produce (milk, meat, seasonal fruit and vegetables).

The chain is also focused on sustainable fishing by complying with MSC and ASC certification, and by collaborating with WWF.

Lastly, Delhaize drew up a Code of Conduct in 2009, which sets out working standards for the employees of its suppliers, in accordance with the conventions of the International Labor Organization (ILO). This Code of Conduct, which aligns with the Business Social Compliance Initiative (BSCI) Code, notably includes the prohibition of child labor, respect for the environment and a set of safety regulations.

5. Some market data for the products analyzed and the results of the in-store surveys

5.1 Coffee

Global coffee production

An estimated of 143.4 million of 60 kg bags of coffee were produced in 2015/16. Which represents an estimated increase in global coffee production of 1.4% since 2014/15.

Global Coffee consumption

An estimated of 150.2 million of 60 kg bags of coffee were consumed in calendar year 2014. Since 2011, there has been an average annual growth rate in global coffee consumption of 2.5%.

Demand is strong in many countries, particularly in traditional markets (Canada, EU, Japan, Norway, Switzerland, USA, others) but the biggest potential is in emerging markets (Algeria, Australia, Russia, South Korea, Turkey, others) and coffee exporting countries²⁷. Coffee producing countries, with Brazil in the lead, themselves consume 30% of all coffee sold internationally.

The Belgian coffee market²⁸

Every year, in Belgium, almost 60,000 tons of coffee are sold, two thirds through megastores and one third through other channels, this being the equivalent of more than 10 billion cups of coffee annually.

In 2014, Douwe Egberts (D.E.) was the Belgian coffee market leader. However, the company's performance was static that same year, mainly due to the reduced popularity of its coffee pods, designed to be compatible with Senseo coffee machines. Belgium also has a large number of small coffee merchants, notably: Rombouts, Beyers, Jacqmotte (D.E.) and Miko.

5.1.1 Sustainable coffee

Sustainable coffee represents an estimated 20%²⁹ of the global coffee production.

Fairtrade remains a major player in both the production and sales of sustainable coffee. In 2012, Fairtrade accounted for 5% of global coffee production³⁰. Around 75% of Fairtrade coffee sold comes from Latin America and the Caribbean, with Colombia producing the most Fairtrade coffee.

Of the 473,600 MT Fairtrade coffee cultivated in 2012-2013, 37% was also organic certified³¹.

²⁷ http://www.ico.org/monthly_coffee_trade_stats.asp

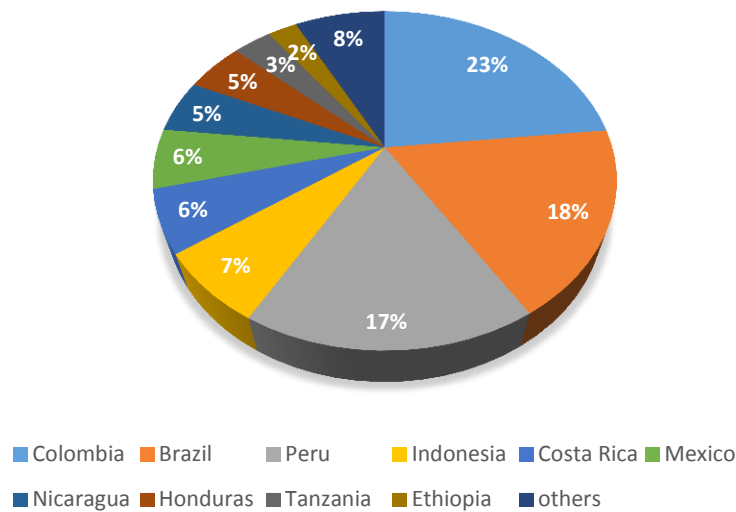
²⁸ http://www.boisson-sans-alcool.com/marques_cafe-belgique.html

²⁹ <http://www.foodnavigator.com/Market-Trends/What-s-the-future-direction-for-sustainable-sourcing>

³⁰ https://www.iisd.org/pdf/2014/ssi_2014.pdf, p170.

³¹ Monitoring the scope and benefits of Fairtrade 6th edition 2014, p.78.

Fairtrade coffee production 2012-2013 (MT)



In 2015, **UTZ** accounted for 9.5% of total global coffee production. With 34% coming from Asian sources, most notably Vietnam, which accounted for 27% of total UTZ production in 2015, UTZ Certified has distinguished itself by its capacity to bring non-Latin American sources into its supply chain³².

In 2012, **Organic** accounted for 3% of total global coffee production³³. The top 3 producers were Peru (25%), Ethiopia (18%) and Mexico (18%).

In 2015, **Rainforest Alliance** coffee accounted for 5.4%³⁴ of global production. More than half of Rainforest Alliance certified coffee was produced in Brazil, Colombia and Peru.

The “mainstreaming” of standards within the coffee sector has also stimulated companies to develop their own sourcing programs such as Starbucks’ C.A.F.E. (Coffee and Farm Equity) Practices and Nespresso’s AAA Sustainable Quality Program.

Both companies have also continued to source from existing independent certification standards. Indeed, Starbucks has a partnership with Fairtrade, while Nespresso has a partnership with Rainforest Alliance, and made a public commitment to source 10% of its coffee from Fairtrade³⁵.

5.1.2 The Douwe Egberts case

Since 2004, D.E. Group (Douwe Egberts, Senseo, Jacqmotte, L’Or, and Pickwick tea) has been collaborating with the UTZ certified label. Douwe Egberts says that in 2012, at the international level, (only) 16% of their coffee was certified. The group claims that it wanted at least 25% of all of the coffee bought at the worldwide level, to be certified as sustainable by 2015. Unfortunately, there is no available data telling us whether or not this objective has

³² <https://www.utz.org/wp-content/uploads/2016/04/Annual-Report-2015-factsandfigures.pdf>

³³ https://www.iisd.org/pdf/2014/ssi_2014.pdf, p172.

³⁴ SAN/RFA Impact report, p.37, http://www.rainforest-alliance.org/sites/default/files/publication/pdf/SAN_RA_Impacts_Report.pdf

³⁵ https://www.iisd.org/pdf/2014/ssi_2014_chapter_8.pdf, p166

been achieved. That being said, approximately 80% of the coffee bought and redistributed through trade by D.E. Group is still not certified.

Furthermore, according to Oxfam, Douwe Egberts Group is behaving completely incoherently by selling, on the one hand, UTZ certified coffee, and by attacking, on the other, some of the public authorities that are choosing fair trade. Indeed, in 2009, the group unsuccessfully brought proceedings against the province of Flemish Brabant because the public tender regarding the delivery of coffee and tea took place on the basis of sustainability criteria only meeting the Fairtrade label. Several NGOs had then stated in a column in De Morgen that “Douwe Egberts wanted the benefits of the rapidly expanding fair trade market, but without paying the farmers”.

It should be highlighted that a little over 120 Belgian municipalities no longer offer anything other than fair trade certified coffee to their employees.

Douwe Egberts had already brought similar proceedings against Groningen province in the Netherlands, but had lost that case also³⁶.

5.1.3 Store visits

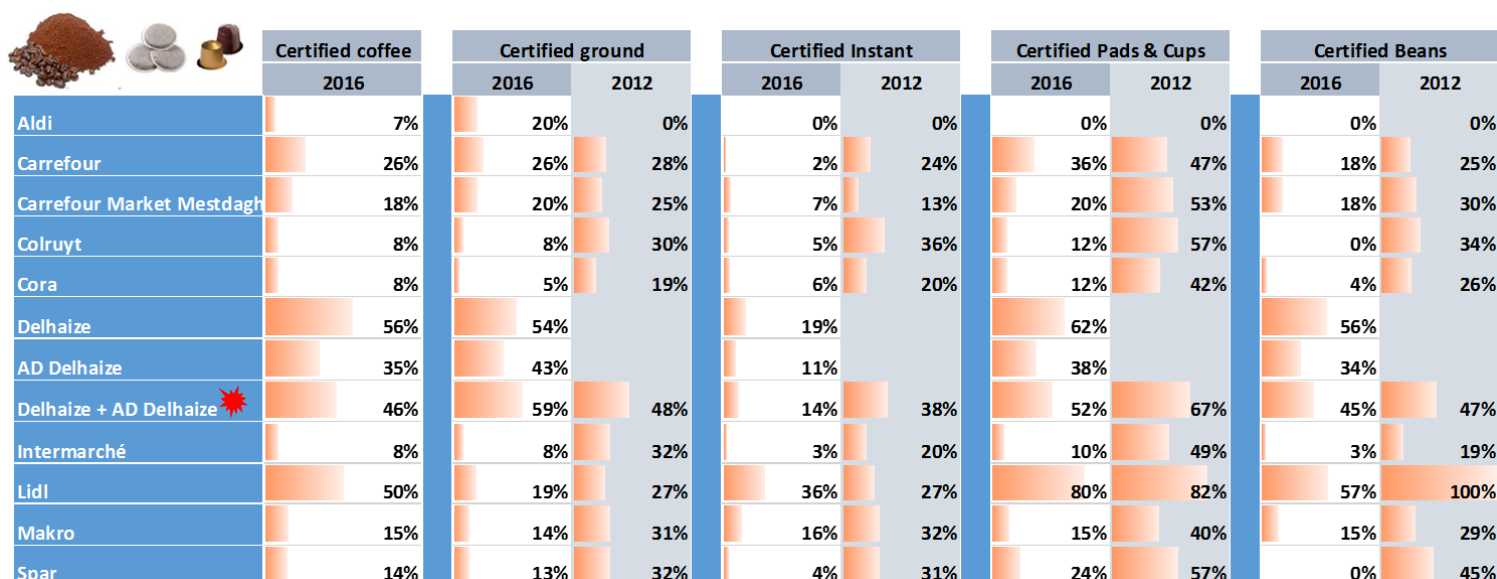
For the purpose of our study, we focused on 4 groups of coffee products :

- **Ground coffee:** packages ranging from 250g to 2 500g.
- **Coffee pads and cups:** packages ranging from 12 to 36 pads, and packages ranging from 8 to 16 cups.
- **Instant coffee:** jars ranging from 50g to 400g, and also sachets of instant coffee.
- **Coffee beans:** packages ranging from 250g to 2 500 g.

³⁶ http://archives.lesoir.be/tasse-pleine-pour-douwe-egberts_t-20091216-00RE6G.html

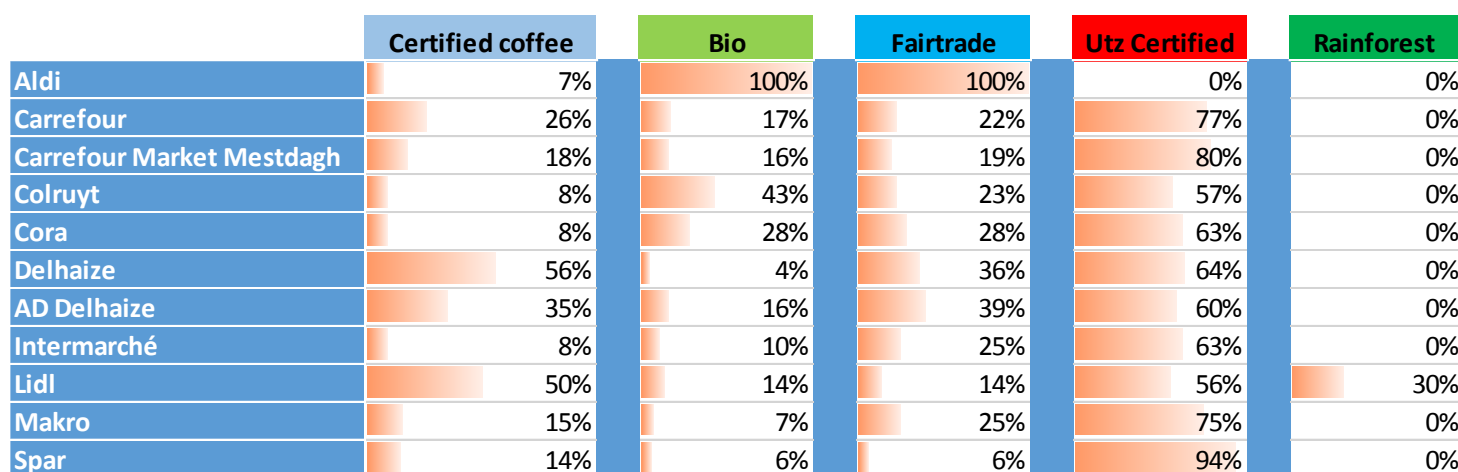
5.1.3.1 Presentation of results

Share of coffee with a sustainable label in the assortments of Belgian supermarkets

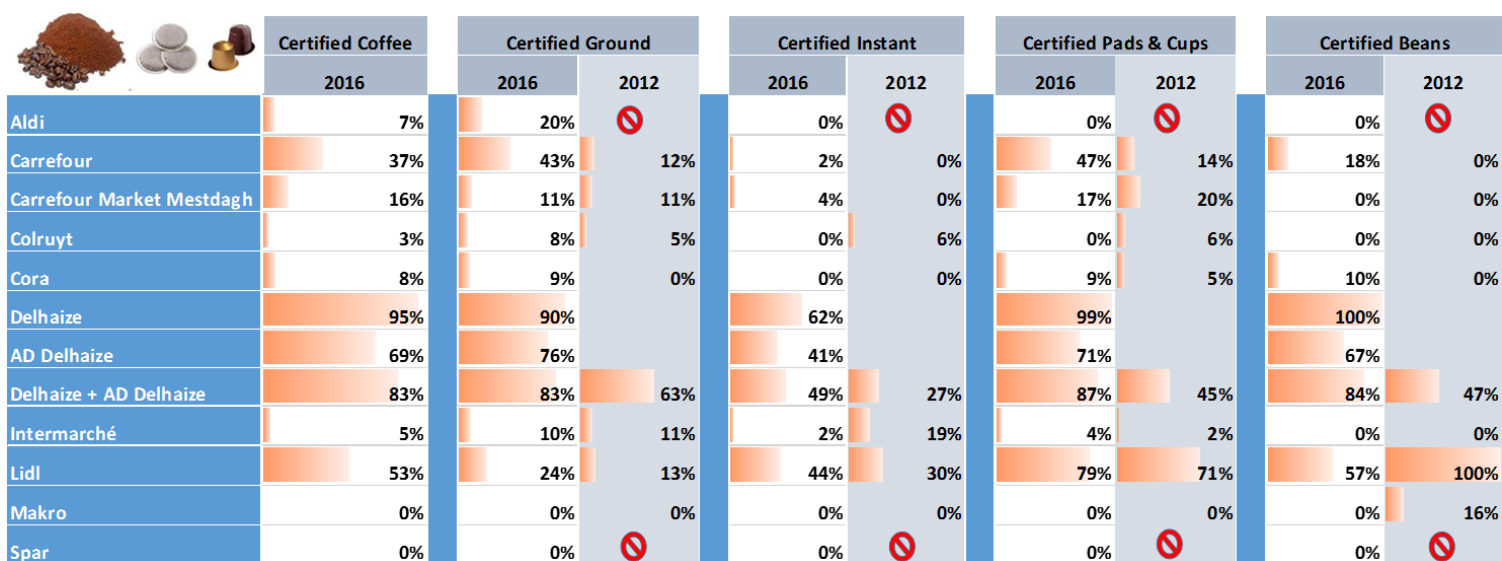


★ The results achieved by Delhaize in 2012 rely on both the Delhaize and AD Delhaize data. This is why, in addition to showing the results obtained by the two chains individually, we are adding a “Delhaize + AD Delhaize” line, making it possible to look at progress since 2012. Please note that the same will apply for all product categories.

Distribution of labels among certified products



Share of private coffee labels with a sustainable label in the assortments of Belgian supermarkets

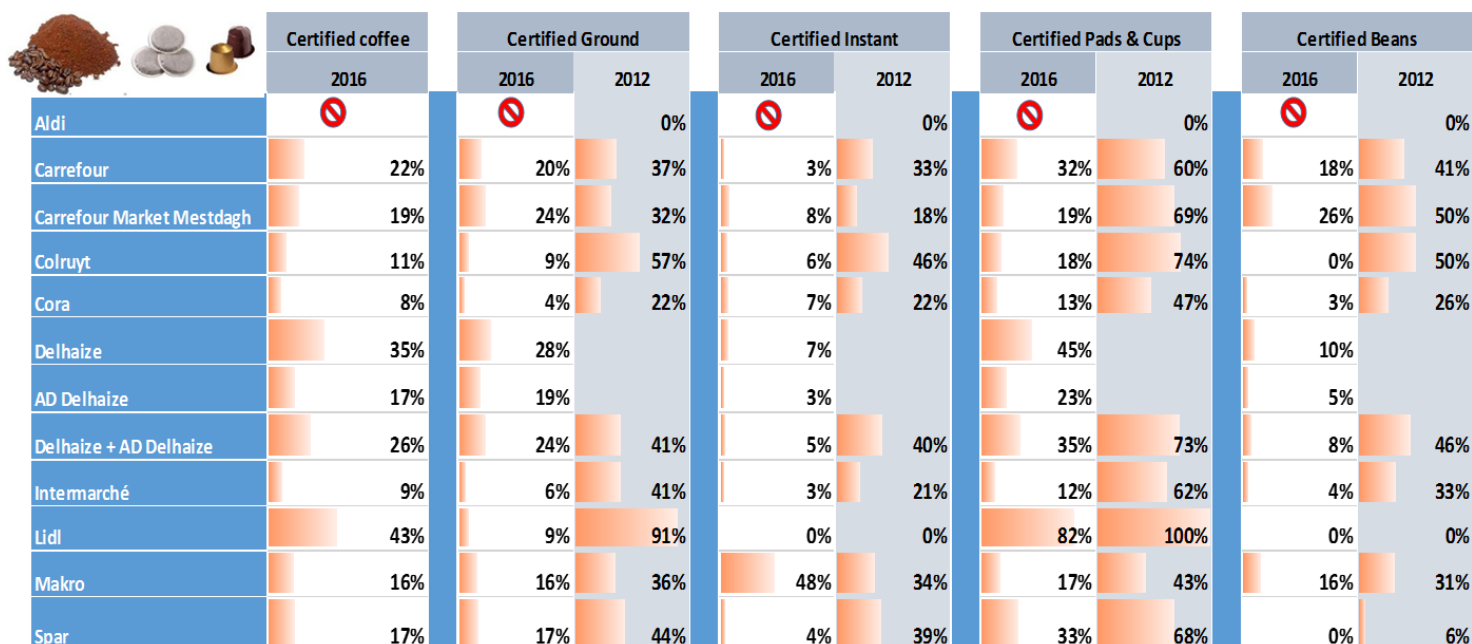


Product not available

Distribution of labels among certified products

	Certified coffee	Bio	Fairtrade	Utz Certified	Rainforest
Aldi	7%	100%	100%	0%	0%
Carrefour	37%	15%	31%	69%	0%
Carrefour Market Mestdagh	16%	28%	46%	54%	0%
Colruyt	3%	100%	0%	0%	0%
Cora	8%	86%	100%	0%	0%
Delhaize	95%	5%	59%	41%	0%
AD Delhaize	69%	19%	53%	46%	0%
Intermarché	5%	17%	83%	0%	0%
Lidl	53%	19%	19%	65%	17%

Share of premium coffee brands with a sustainable label in the assortments of Belgian supermarkets










































Product not available

Distribution of labels among certified products

	Certified coffee	Bio	Fairtrade	Utz Certified	Rainforest
Carrefour	22%	19%	18%	81%	0%
Carrefour Market Mestdagh	19%	12%	11%	88%	0%
Colruyt	11%	34%	26%	66%	0%
Cora	8%	12%	8%	80%	0%
Delhaize	35%	1%	3%	97%	0%
AD Delhaize	17%	9%	8%	91%	0%
Intermarché	9%	8%	8%	85%	0%
Lidl	43%	0%	0%	31%	69%
Makro	16%	7%	25%	75%	0%
Spar	17%	6%	6%	94%	0%

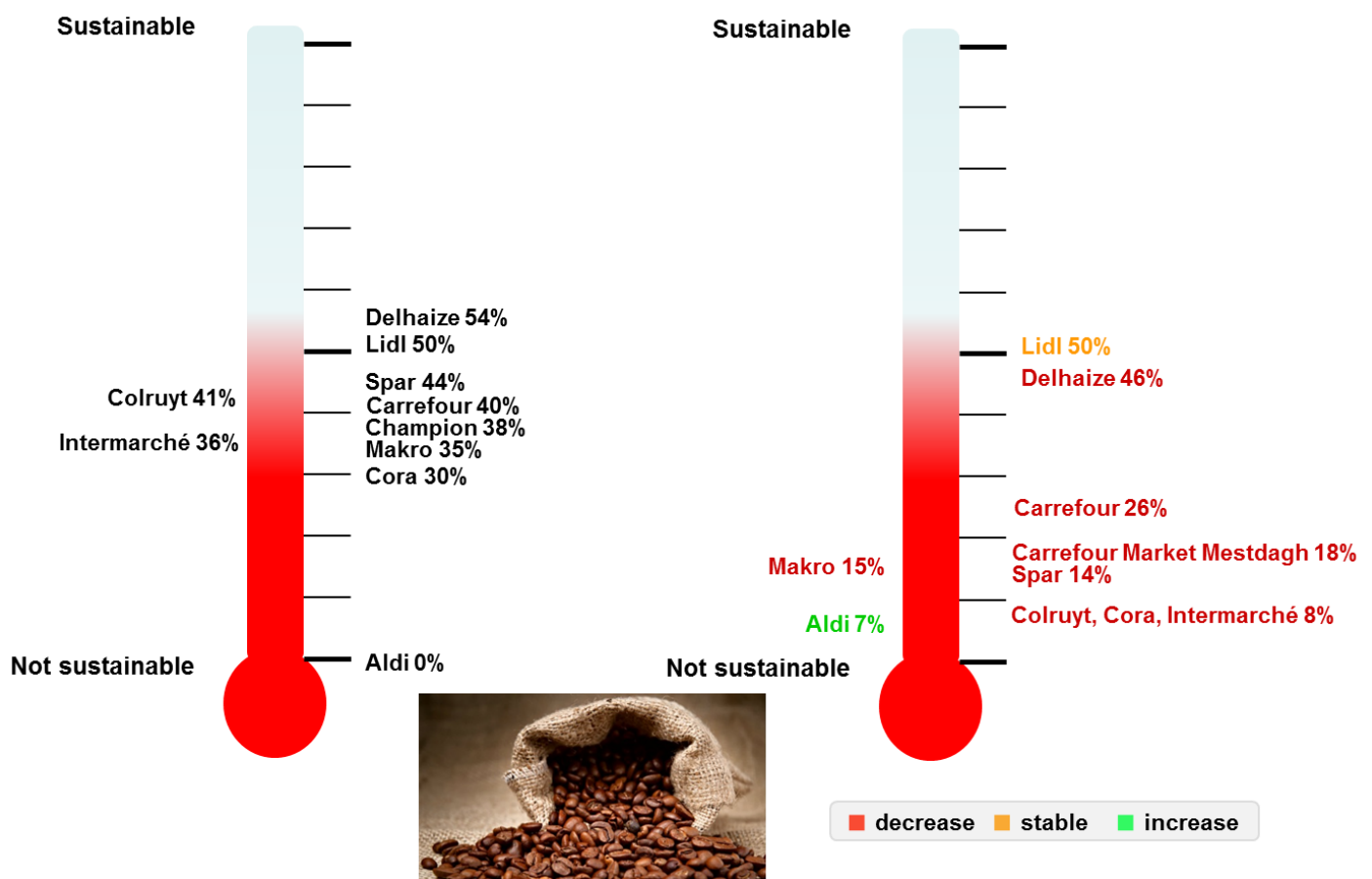
Proportion of sustainable coffee in total assortment / in private labels / in premium brands

	Total assortment		Private label		Premium brand		Average number of facings	
							S	NS
Aldi		7%		7%			3	2,8
Carrefour		26%		37%		22%	1,7	1,3
Carrefour Market Mestdagh		18%		16%		19%	1,3	1,2
Colruyt		8%		3%		11%	1,9	2,1
Cora		8%		8%		8%	3,5	3,3
Delhaize		56%		95%		35%	1,5	1,3
AD Delhaize		35%		69%		17%	2,2	2,2
Delhaize + AD Delhaize		46%		83%		26%		
Intermarché		8%		5%		9%	3,2	4,6
Lidl		50%		53%		43%	2,9	2,3
Makro		15%		0%		16%	2	2
Spar		14%		0%		17%	2,1	1,7

 Product not available
  Sustainable
  Not sustainable

Sustainability coffee barometer 2012

Sustainability coffee barometer 2016



5.1.3.2 Analysis of results

Lidl comes in first, with 50% of its total selection offering sustainable coffee. This trend is more marked for pods and capsules (80%). We note that the chain has further concentrated its sustainable offering on own brand products, and has reduced its range of premium sustainable brands. Overall, Lidl gets exactly the same score as it did in 2012.

Although only 7% of the coffee of its direct competitor, Aldi, is sustainable, this chain has made the most significant progress out of all of the chains since 2012. In fact, at that time, Aldi was not offering its customers any sustainable coffee at all. Today, the chain, which no longer sells anything other than own brand coffee, is offering its customers 20% ground organic and Fairtrade coffee. Furthermore, Aldi is also offering its customers 4C coffee (Common Code for the Coffee Community), which aims to provide operators in the coffee market chain with sustainable livelihoods, taking into account social, environmental and economic dimensions. This label does not rely on a third party certification (see beginning of report), and is not therefore recorded in the sustainable coffee range in this report.

With the exceptions of Aldi, and of Lidl which has remained stable since 2012, all of the supermarkets have recorded a decrease in their sustainable coffee offering. This reduction, which primarily concerns premium brands, was nevertheless able to be amortized for some

chains which have increased their range of sustainable coffee amongst their own brand products. This has notably been the case for Delhaize Group (83%), Lidl (53%) and Carrefour (37%). To a lesser extent, Cora (8%) has also improved its range of own brand certified coffee.

Makro does not yet sell own brand sustainable coffee.

Therefore, we see a significant difference between large and small subsidiaries within a single group; AD Delhaize, which has a limited number of products compared to Delhaize, is offering a smaller selection of sustainable coffee. Furthermore, almost all of Delhaize's own brand products are certified sustainable (95%).

This difference can also be seen with Carrefour Market Mestdagh which has a smaller range of certified products than Carrefour. However, the trend is reversed for small subsidiary Spar which has a larger range of sustainable coffee than Colruyt.

Colruyt Group's objective is to buy 50% of the coffee as certified by the end of 2016, and 75% by the end of 2017. But due to the roasting technique where coffee from several origins is mixed to obtain a constant savor, the certification can not appear on the packaging.

The label with the greatest presence is Utz Certified. This trend can notably be explained by the fact that this label can be found on the Douwe Egberts Group coffees (Senseo, Jacqmotte, L'Or), sold in the vast majority of supermarkets, as well as on the majority of Delhaize brand coffees. Second is the Fairtrade label, then Bio, and, to a lesser extent, Rainforest Alliance.

5.2 Bananas

More than 100 million tons of bananas are produced each year by 150 countries. The main producer countries are India, China and the Philippines, but these produce primarily for the domestic market. In fact, only 15% to 20% of total production is sold on international markets. Most bananas imported into Europe come from Latin America (79% in 2011), the rest coming from the ACP countries (11%) and Southern Europe (10%).

The global export market for bananas is dominated by 5 multinationals which together account for over 85% of it: Chiquita (25%), Dole (25%), Del Monte (16%), Noboa (12%) and Fyffes (8%).

In some producer countries, annual banana consumption is very high: 243kg per person in Uganda, between 100 and 200kg in Rwanda, Cameroon and Gabon, compared to only 10kg in Europe and the United States. The average Belgian eats 8kg of bananas a year.

At the import level, Europe (40%) and the United States (23%) are the main markets for bananas. It should be noted that 26% of European banana imports transit through the port of Antwerp³⁷. This ranks Belgium as the second biggest importer of bananas worldwide.

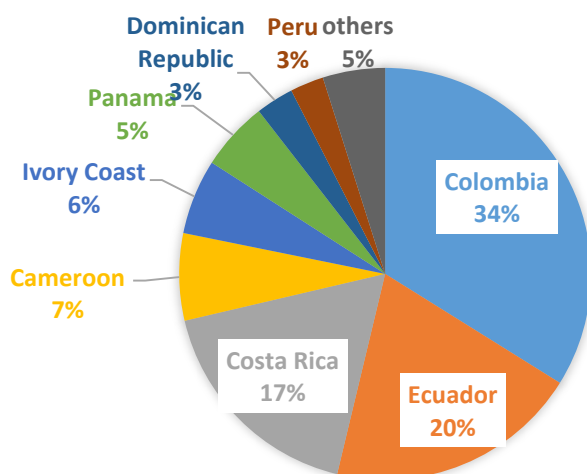
Countries	Import value 2007	Import value 2008	Import value 2009	Import Value 2010	Import value 2014
USA	1,113	1,145	1,361	1,601	1,926
Belgium	1,090	1,323	1,164	1,187	1,328
Germany	755	744	735	660	990

€ million

Source : ITC Trade Map

The market for bananas in Belgium

In 2014, Colombia, Ecuador and Costa Rica were still the main sources for bananas imported into Belgium.



Source: ITC Trade Map

³⁷ http://fairtradebelgium.be/sites/default/files/brochure_banane_fr_14_web.pdf

Our country is also the second biggest exporter worldwide. With more than 1.3 million tons of bananas exported in 2014, Belgium, which supplies the European market, comes just after Ecuador, but before the Philippines. Germany is Belgium's main market (45% of exports), followed by the Netherlands (14.5%) and France (9.2%).

Chiquita remains the leader in the Belgian banana market. Among the other brands available in Belgian supermarkets, we notably find Dole, Del Monte and Bonita, but mostly supermarkets' own brands.

5.2.1 Sustainable bananas

Rainforest Alliance is by far the dominant provider of certified bananas to the global market, due principally to its unique partnership with Chiquita. In 2015, RFA accounted for 5.6% of global banana production³⁸.

Organic bananas account for approximately 0.7% of global production. Almost three-quarters of global organic banana production come from the Dominican Republic (29%), Ecuador (2%) and Peru (15%).³⁹

Fairtrade certified bananas account for approximately 0.5% of global banana production. In 2012-2013, 491,800 tons of certified Fairtrade bananas, including 39% also certified as organic, were produced. Of total production, 65% was sold.

It should be noted that currently almost all organic bananas on the Belgian market are also certified Fairtrade (coming from the Dominican Republic, Peru and Ecuador). Bananas are the fair trade product with the greatest presence on the Belgian market, with 8.6% of bananas certified Fairtrade. But this is a relatively low figure compared to Switzerland, the United Kingdom or the Netherlands, where 50%, 25% and 16% of bananas are respectively certified Fairtrade⁴⁰.

5.2.2 Store visits

For the purpose of our study, we focused on fresh bananas only. Plantains and dried bananas were excluded.

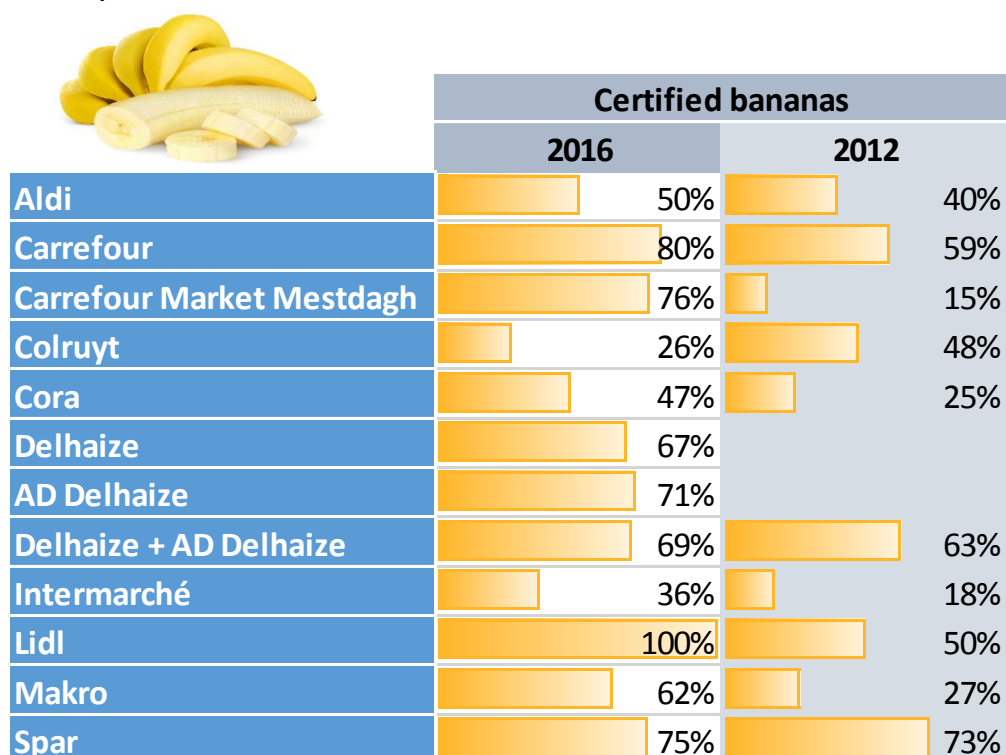
³⁸ SAN/RFA Impact report, p.67, http://www.rainforest-alliance.org/sites/default/files/publication/pdf/SAN_RA_Impacts_Report.pdf

³⁹ https://www.iisd.org/pdf/2014/ssi_2014_chapter_5.pdf, P.110.

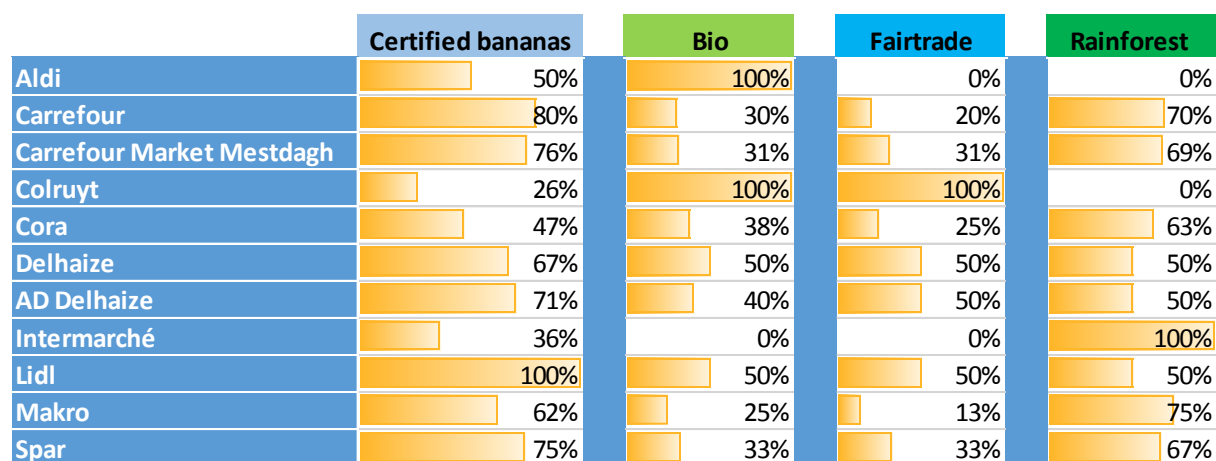
⁴⁰ http://fairtradebelgium.be/sites/default/files/brochure_banane_fr_14_web.pdf

5.2.2.1 Presentation of results

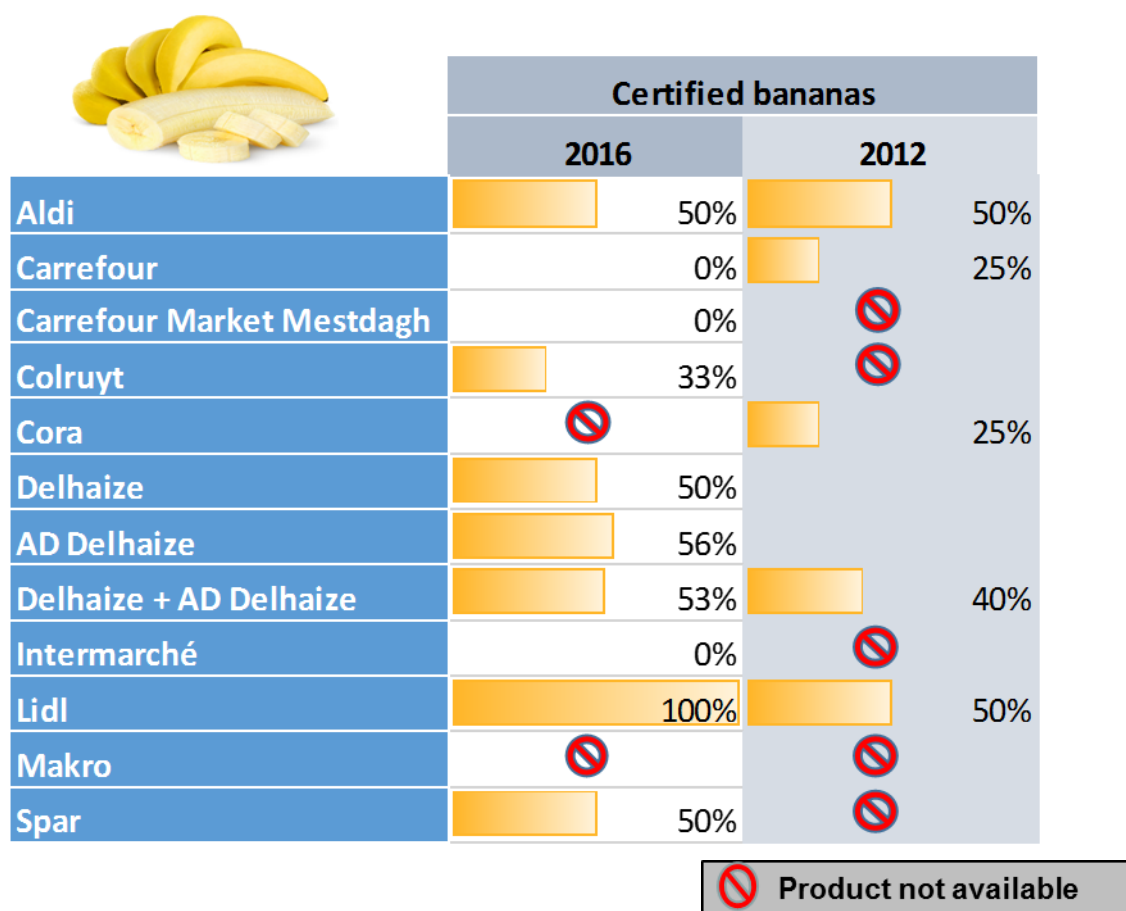
Share of bananas with a sustainable label in the assortments of Belgian supermarkets



Distribution of labels among certified products



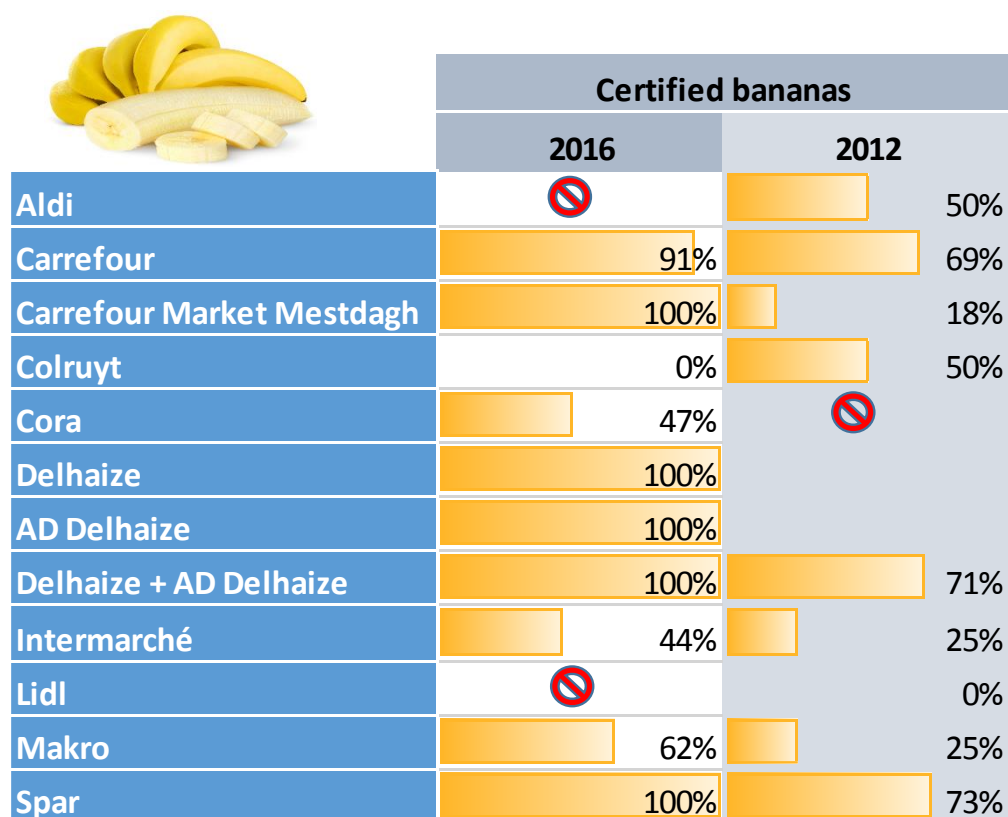
Share of private bananas labels with a sustainable label in the assortments of Belgian supermarkets




Distribution of labels among certified products

	Certified bananas	Bio	Fairtrade	Rainforest
Aldi	50%	100%	0%	0%
Colruyt	33%	100%	100%	0%
Delhaize	50%	100%	100%	0%
AD Delhaize	56%	100%	100%	0%
Lidl	100%	50%	50%	50%
Spar	50%	100%	100%	0%

Share of premium bananas brands with a sustainable label in the assortments of Belgian supermarkets



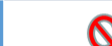


































 Product not available

Distribution of labels among certified products

	Certified bananas	Bio	Fairtrade	Rainforest
Carrefour	91%	30%	20%	70%
Carrefour Market Mestdagh	100%	31%	31%	69%
Cora	47%	38%	25%	63%
Delhaize	100%	0%	0%	100%
AD Delhaize	100%	0%	0%	100%
Intermarché	44%	0%	0%	100%
Makro	62%	25%	13%	75%
Spar	100%	0%	0%	100%

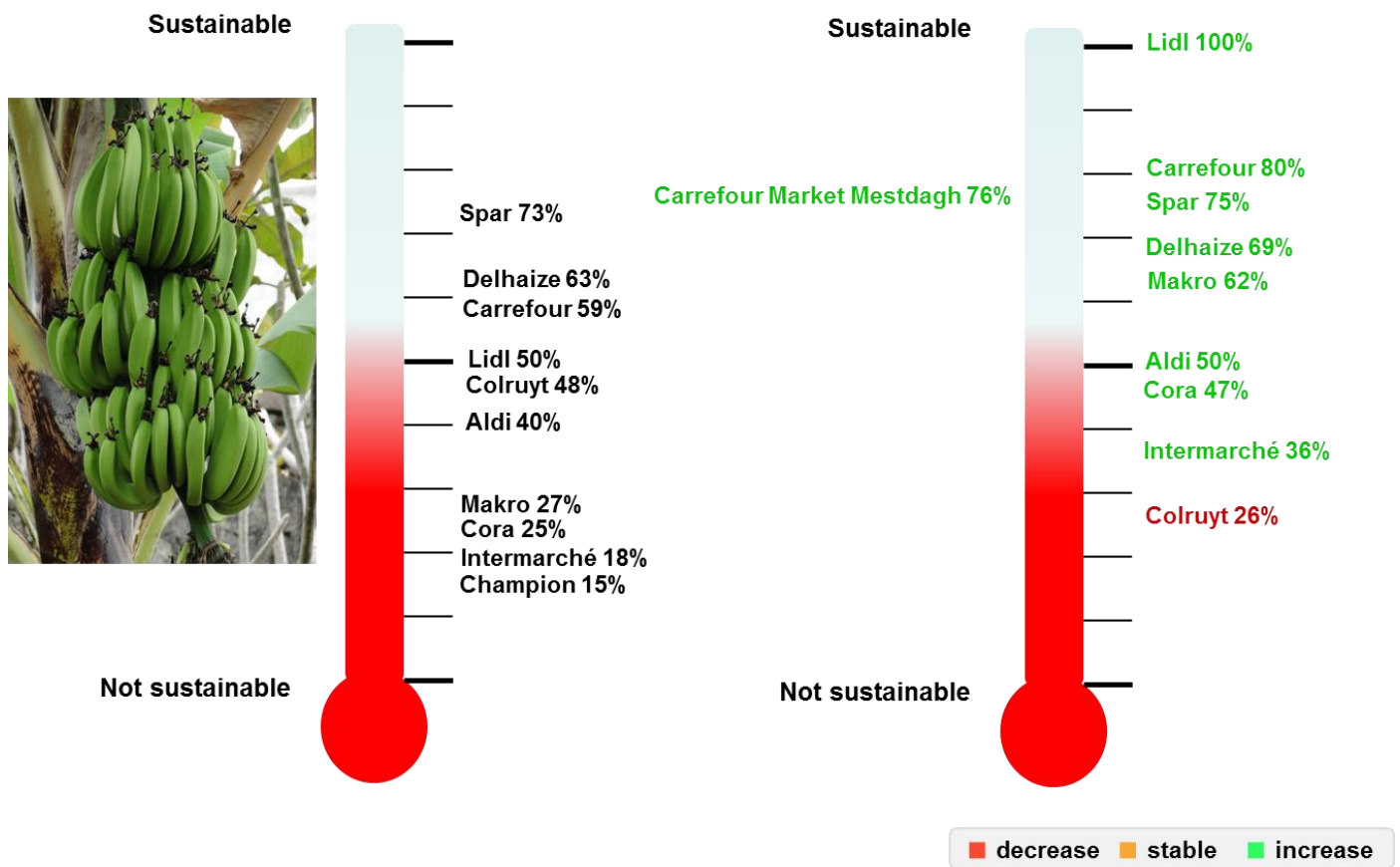
Proportion of sustainable bananas in total assortment / in private labels / in premium brands

	Total assortment	Private label	Premium brand	Average number of facings	
				S	NS
Aldi	 50%	 50%	 0%	1	1
Carrefour	 80%	 0%	 91%	1	1
Carrefour Market Mestdagh	 76%	 0%	 100%	1	1
Colruyt	 26%	 33%	 0%	2	2,6
Cora	 47%	 0%	 47%	1	1
Delhaize	 67%	 50%	 100%	1,7	1
AD Delhaize	 71%	 56%	 100%	1,2	1
Intermarché	 36%	 0%	 44%	1,2	1
Lidl	 100%	 100%	 0%	1	1
Makro	 62%	 0%	 62%	1	1
Spar	 75%	 50%	 100%	1,3	1

 Product not available  Sustainable  Not sustainable

Sustainability bananas barometer 2012

Sustainability bananas barometer 2016



5.2.2.2 Analysis of results

With the exception of Colruyt which has seen the proportion of sustainable bananas in its overall selection fall, all other stores have increased their product offering. This reduction has nevertheless been amortized by the introduction of its own brand bananas (Boni Selection) which did not exist in 2012, and which, today, bear the Bio and Fairtrade labels.

Lidl is currently the only chain in which 100% of bananas sold are certified sustainable (own brand only). 50% of the bananas offered for sale by its competitor Aldi are organic. Carrefour takes second place (80%), followed by Carrefour Market-Mestdagh (76%), Spar (75%), Delhaize (69%) and Makro (62%).

These figures are rather encouraging given the low proportion of certified bananas produced at the global level (less than 10%). These results can notably be explained by the dominant presence of bananas produced by giants Chiquita and Dole, which each have a 25% market share, and bear the Rainforest Alliance label.

Indeed, we can see that the highest results appear in the “premium brand” category: 100% for Carrefour Market-Mestdagh, Spar and Delhaize, and 91% for Carrefour. Bear in mind that Carrefour Market-Mestdagh and Carrefour have almost the same product selection.

Furthermore, we see a relatively large gap between Colruyt and its “protégé”, Spar. In fact, the latter has a range of certified bananas almost 3 times as big; Spar’s total product offering contains 75% sustainable bananas, compared to only 26% for Colruyt. It should nevertheless be highlighted that the chain, through its Collibri Foundation, is maintaining direct relationships with small producers (see Senegalese bananas), in order to offer its customers products which fulfil the conditions of sustainability, without actually bearing an official label.

The label with the greatest presence in Belgian supermarkets is Rainforest Alliance, followed by organic bananas, and finally Fairtrade.

5.3 Cocoa

On average, 3.5 million tons of cocoa are produced each year by approximately thirty different countries. The biggest producer is the Ivory Coast, which is responsible for 33% of cocoa production worldwide, followed by Ghana (21%), and Indonesia (15%).

In 2014, Germany⁴¹ was the global leader in **cocoa imports**, followed by the US, and The Netherlands which has committed to use sustainable cocoa for all domestic cocoa and chocolate products by 2025. Belgium is the 6th biggest national cocoa importer (by value). Belgians consume, on average, 7 kg of chocolate per person per year, putting them in 7th place with regard to European chocolate consumption⁴².

Countries	Import value 2007	Import value 2008	Import value 2009	Import Value 2010	Import value 2014
Germany	1,944	2,138	2,426	2,891	4,324
USA	2,033	2,334	2,576	3,325	4,140
Netherlands	1,609	1,915	2,234	2,407	3,671
France	1,830	1,967	1,982	2,185	3,017
UK	1,462	1,441	1,542	1,638	2,429
Belgium	1,123	1,153	1,167	1,306	2,206
Canada	660	739	760	904	1,295
Russia	618	739	760	904	1,197

€ million

Source: ITC Trade Map

On average, 75% to 80% of cocoa beans imported into Belgium, come from Western Africa (mainly the Ivory Coast and Ghana).

The chocolate market in Belgium

There are 4 industrial chocolate suppliers in Belgium: Barry Callebaut (annual production of 270,000 tons), Cargill (60,000 tons/year), Belcolade (60,000 tons/year) and Kraft Foods (20,000 tons/year). Belgian chocolate manufacturing companies are incredibly diversified. Several large international groups such as Barry Callebaut, Kraft Foods and Ferrero have a presence in Belgium. Besides these, there are also some medium sized operators such as Guylian, Hamlet, Leonidas, Godiva, Baronie, Neuhaus, ItaloSuisse, and lastly, a selection of very small chocolate and praline makers.⁴³

5.3.1 Sustainable cocoa

In 2012, sustainable production represented 22% of the world's cocoa production, with Ivory Coast, Ghana and the Dominican Republic being the most important sustainable cocoa suppliers.

The rapid growth of the sustainable industry over the past decade can be explained by the concern over the child labor issue, but also by the commitments made by major cocoa manufacturers to source certified cocoa from existing sustainable labels. "Notably, Hershey's,

⁴¹ http://www.trademap.org/Country_SelProduct.aspx

⁴² COCOA AND FAIR TRADE Let's be proud of our chocolate, let's choose fair trade!, https://issuu.com/fairtradebelgium/docs/brochure_cacao_fr-19web_fsc

⁴³ <http://fairtradebelgium.be/sites/default/files/press/commdepre02.pdf>

Ferrero and Mars, who alone account for 45% of the global confectioners' market, have committed to sourcing 100% of their supply sustainably by 2020. Other key companies within the supply chain, including Nestlé⁴⁴ and Cargill, have also launched sustainable sourcing initiatives, without making public commitments on volumes⁴⁵”.

But paradoxically, the configuration of the cocoa industry exacerbates the extreme poverty in which the majority of cocoa producers are living. Indeed, there is a small number of very large downstream processors (Cargill, ADM and Barry Callebaut account for 41% of global processing) and confectioners (Mars, Mondelez International, Nestlé, Hershey's and Ferrero account for 89% of the confectioner's market) which creates a very limited market opportunities for the producers (5 to 6 million cocoa farmers worldwide).

This is the reason why still lots of efforts have to be made.

In 2014, Rainforest Alliance cocoa production accounted for 14%⁴⁶ of the global cocoa production. Production was concentrated in Ivory Coast, Tanzania, the Dominican Republic and Indonesia. Products are only eligible to bear the RFA seal when the percentage of certified content reaches a minimum of 30%. Yet, the 30% certified content level is considered a starting point. Rainforest Alliance encourages businesses to scale up over time and achieve 100% of the ingredients sourced from RFA.

UTZ certified cocoa production accounted for about 26%⁴⁷ of the world's production in 2015. Ivory Coast and Ghana are the two largest UTZ cocoa producing countries. According to UTZ, 5 of the top 10 chocolate producers have committed to buying UTZ Certified cocoa, including Barry Callebaut, Cargill, Mars, Nestlé and Natra.

In 2012-2013, **Fairtrade** production accounted for approximately 5% of global production, with 176,400 metric tons certified⁴⁸. This represents an increase of 94% since 2008 (91,000 metric tons). Furthermore, 22% of Fairtrade production was also organic certified.

Though the Fairtrade cocoa sales have been growing over the past several years, currently, only 1,3%⁴⁹ of cocoa volumes are sold under fair trade standards.

Belgium is the country of chocolate, but in terms of fair trade chocolate, the in-store product range remains derisory. In fact, the proportion of fair trade chocolate was estimated at only 1.2% in 2015. The total volume of fair trade chocolate sold in Belgium was approximately 670 tons (in 2015)⁵⁰.

In January 2014, in an attempt to boost sales, Fairtrade International launched the “Fairtrade Procurement Programs” for cocoa (as well as for sugar and cotton) in Germany. These entail the creation of new labels. They make it possible to have a single ingredient certified, provided this ingredient is certified at 100%. Therefore, a product containing 100% fair trade

⁴⁴ “Nestlé Cocoa Plan” for more information: <http://www.nestlecocoaplan.com>

⁴⁵ https://www.iisd.org/pdf/2014/ssi_2014.pdf, p138.

⁴⁶ <http://www.rainforest-alliance.org/fr/work/agriculture/cocoa/food-of-the-gods-infographic>

⁴⁷ <https://www.utz.org/wp-content/uploads/2016/04/Annual-Report-2015-factsandfigures.pdf>

⁴⁸ Monitoring the scope and benefits of Fairtrade 6th edition 2014, p.100.

⁴⁹

http://fairtradebelgium.be/sites/default/files/infographie_le_chocolat_un_gout_amerr_print_double_fr.pdf

⁵⁰ <http://fairtradebelgium.be/fr/fairtrade-producten/focus-sur-les-produits/focus-cacao/en-belgique>

cocoa can bear the label, even if cocoa is a minor ingredient (minimum 10%). Up until now, for companies to be able to display the main Fairtrade label on their product, all ingredients for which there were standards had to be certified Fairtrade and these ingredients had to account for at least 20% of the product's total weight.

Various fair trade organizations, in addition to the Trade for Development Center, have expressed their concern with regard to the new Programs. For now, the new labels are not yet present on products sold in Belgium, but they will be before long, given the nature of Europe's liberalized internal market. But how will consumers then tell the difference between two relatively similar visuals? Will they be able to discern whether one product is fairer than another? The confusion and the risks are such that even the organizations Fairtrade Canada and Fairtrade America, who remain members of Fairtrade International, have decided not to adopt them⁵¹.



Organic cocoa production accounted for about 2.5% of the world's cocoa production in 2011, with 104,000 metric tons certified. Approximately 80% of certified organic cocoa comes from Latin America, primarily the Dominican Republic. While there has been a trend of expansion to Africa for the other labels, organic cocoa represents the exception with the majority of its production still based in Latin America due to its comparative advantage in fine aromatic cocoa.

5.3.2 Store visits

For the purpose of our study, we focused on 3 groups of cocoa products :

- **Cocoa powder:** packages ranging from 100g to 1 100g.
- **Chocolate spread:** jars ranging from 200g to 3000g
- **Chocolate bars:** packages ranging from 30g to 1200g

⁵¹ <http://www.befair.be/fr/content/les-labels-fairtrade-max-havelaar-se-multiplient-les-critiques-aussi>

5.3.2.1 Presentation of results

Share of cocoa with a sustainable label in the assortments of Belgian supermarkets



	Certified cocoa		Certified Chocolate Bars		Certified Chocolate Spread		Certified Cocoa Powder	
	2016		2016	2012	2016	2012	2016	2012
Aldi	<div><div></div></div> 55%		<div><div></div></div> 46%	0%	<div><div></div></div> 100%	0%	<div><div></div></div> 100%	0%
Carrefour	<div><div></div></div> 25%		<div><div></div></div> 28%	5%	<div><div></div></div> 24%	3%	<div><div></div></div> 9%	3%
Carrefour Market Mestdagh	<div><div></div></div> 26%		<div><div></div></div> 31%	2%	<div><div></div></div> 13%	7%	<div><div></div></div> 14%	4%
Colruyt	<div><div></div></div> 21%		<div><div></div></div> 24%	12%	<div><div></div></div> 16%	5%	<div><div></div></div> 13%	3%
Cora	<div><div></div></div> 21%		<div><div></div></div> 22%	5%	<div><div></div></div> 25%	6%	<div><div></div></div> 12%	2%
Delhaize	<div><div></div></div> 20%		<div><div></div></div> 19%		<div><div></div></div> 26%		<div><div></div></div> 10%	
AD Delhaize	<div><div></div></div> 15%		<div><div></div></div> 13%		<div><div></div></div> 23%		<div><div></div></div> 11%	
Delhaize + AD Delhaize	<div><div></div></div> 18%		<div><div></div></div> 16%	22%	<div><div></div></div> 25%	8%	<div><div></div></div> 10%	23%
Intermarché	<div><div></div></div> 24%		<div><div></div></div> 27%	39%	<div><div></div></div> 16%	9%	<div><div></div></div> 9%	4%
Lidl	<div><div></div></div> 75%		<div><div></div></div> 78%	46%	<div><div></div></div> 67%	47%	<div><div></div></div> 38%	0%
Makro	<div><div></div></div> 16%		<div><div></div></div> 20%	6%	<div><div></div></div> 11%	4%	<div><div></div></div> 6%	2%
Spar	<div><div></div></div> 19%		<div><div></div></div> 24%	4%	<div><div></div></div> 14%	4%	<div><div></div></div> 6%	3%

Distribution of labels among certified products

	Certified cocoa	Bio	Fairtrade	Utz Certified	Rainforest
Aldi	<div><div></div></div> 55%	<div><div></div></div> 9%	<div><div></div></div> 9%	<div><div></div></div> 91%	<div><div></div></div> 0%
Carrefour	<div><div></div></div> 25%	<div><div></div></div> 51%	<div><div></div></div> 44%	<div><div></div></div> 35%	<div><div></div></div> 12%
Carrefour Market Mestdagh	<div><div></div></div> 26%	<div><div></div></div> 63%	<div><div></div></div> 53%	<div><div></div></div> 25%	<div><div></div></div> 12%
Colruyt	<div><div></div></div> 21%	<div><div></div></div> 24%	<div><div></div></div> 35%	<div><div></div></div> 52%	<div><div></div></div> 4%
Cora	<div><div></div></div> 21%	<div><div></div></div> 13%	<div><div></div></div> 3%	<div><div></div></div> 68%	<div><div></div></div> 19%
Delhaize	<div><div></div></div> 20%	<div><div></div></div> 24%	<div><div></div></div> 37%	<div><div></div></div> 56%	<div><div></div></div> 3%
AD Delhaize	<div><div></div></div> 15%	<div><div></div></div> 40%	<div><div></div></div> 51%	<div><div></div></div> 38%	<div><div></div></div> 4%
Intermarché	<div><div></div></div> 24%	<div><div></div></div> 19%	<div><div></div></div> 1%	<div><div></div></div> 38%	<div><div></div></div> 44%
Lidl	<div><div></div></div> 75%	<div><div></div></div> 0%	<div><div></div></div> 5%	<div><div></div></div> 93%	<div><div></div></div> 3%
Makro	<div><div></div></div> 16%	<div><div></div></div> 15%	<div><div></div></div> 25%	<div><div></div></div> 53%	<div><div></div></div> 22%
Spar	<div><div></div></div> 19%	<div><div></div></div> 0%	<div><div></div></div> 11%	<div><div></div></div> 34%	<div><div></div></div> 54%

Share of private cocoa labels with a sustainable label in the assortments of Belgian supermarkets



	Certified cocoa		Certified Chocolate Bars		Certified Chocolate Spread		Certified Cocoa Powder	
	2016		2016	2012	2016	2012	2016	2012
Aldi	57%		48%		100%		100%	
Carrefour	14%		16%	11%	13%	11%	0%	0%
Carrefour Market Mestdagh	12%		15%	10%	11%	6%	0%	0%
Colruyt	16%		11%	0%	13%	8%	54%	25%
Cora	5%		6%	3%	0%	8%	8%	0%
Delhaize	15%		10%		20%		38%	
AD Delhaize	15%		6%		29%		44%	
Delhaize + AD Delhaize	15%		8%	20%	24%	24%	41%	30%
Intermarché	19%		18%	4%	17%	12%	27%	0%
Lidl	94%		93%	54%	100%	57%	100%	0%
Makro	0%		0%		0%		0%	
Spar	0%		0%		0%		0%	

Product not available

Distribution of labels among certified products

	Certified cocoa	Bio	Fairtrade	Utz Certified	Rainforest
Aldi	57%	9%	9%	91%	0%
Carrefour	14%	100%	44%	0%	0%
Carrefour Market Mestdagh	12%	100%	50%	0%	0%
Colruyt	16%	100%	67%	0%	0%
Cora	5%	100%	0%	0%	0%
Delhaize	15%	100%	100%	0%	0%
AD Delhaize	15%	100%	100%	0%	0%
Intermarché	19%	100%	0%	0%	0%
Lidl	94%	0%	6%	91%	3%

Share of premium cocoa brands with a sustainable label in the assortments of Belgian supermarkets




































	Certified cocoa	Certified Chocolate Bars		Certified Chocolate Spread		Certified Cocoa Powder	
	2016	2016	2012	2016	2012	2016	2012
Aldi	0%	0%	0%		0%		0%
Carrefour	29%	31%	4%	29%	0%	11%	5%
Carrefour Market Mestdagh	29%	34%	0%	14%	7%	17%	5%
Colruyt	23%	27%	13%	17%	5%	0%	10%
Cora	26%	26%	6%	29%	6%	13%	2%
Delhaize	21%	21%		27%		0%	
AD Delhaize	15%	14%		22%		4%	
Delhaize + AD Delhaize	18%	18%	23%	25%	5%	2%	23%
Intermarché	25%	29%	4%	16%	8%	0%	5%
Lidl	48%	52%	0%	45%	0%	0%	0%
Makro	17%	20%	7%	12%	5%	7%	2%
Spar	21%	25%	4%	18%	5%	8%	33%

Product not available

Distribution of labels among certified products

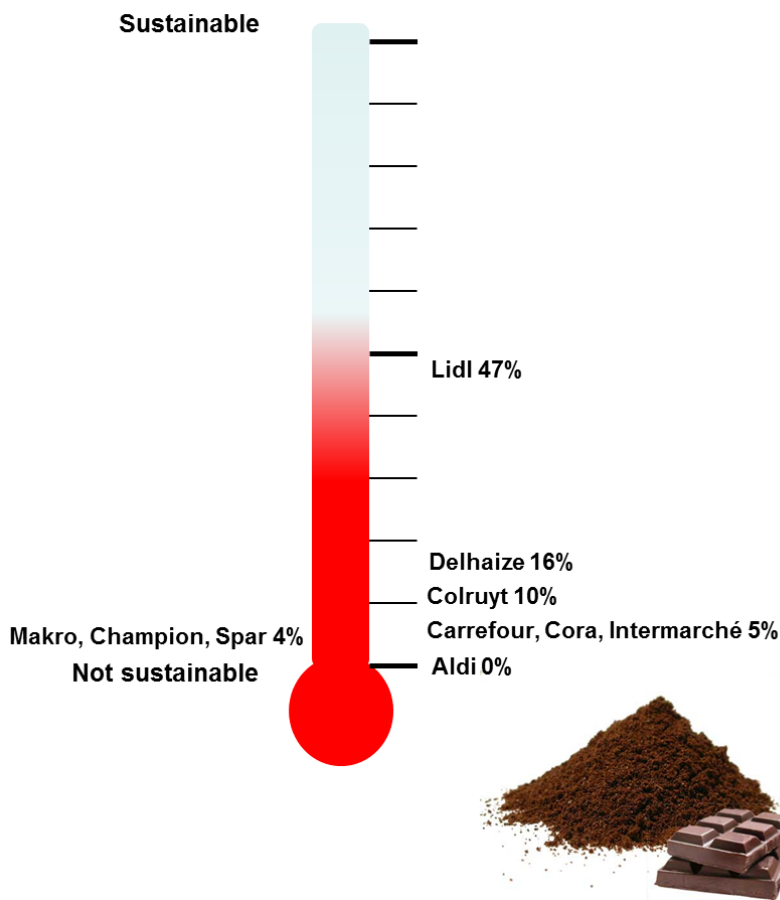
	Certified cocoa	Bio	Fairtrade	Utz Certified	Rainforest
Carrefour	29%	44%	44%	39%	14%
Carrefour Market Mestdagh	29%	60%	53%	27%	13%
Colruyt	23%	10%	29%	61%	4%
Cora	26%	8%	3%	72%	20%
Delhaize	21%	12%	26%	66%	4%
AD Delhaize	15%	30%	43%	44%	5%
Intermarché	25%	5%	1%	44%	51%
Lidl	48%	0%	0%	100%	0%
Makro	17%	15%	25%	53%	22%
Spar	21%	0%	11%	34%	54%

Proportion of sustainable cocoa in total assortment / in private labels / in premium brands

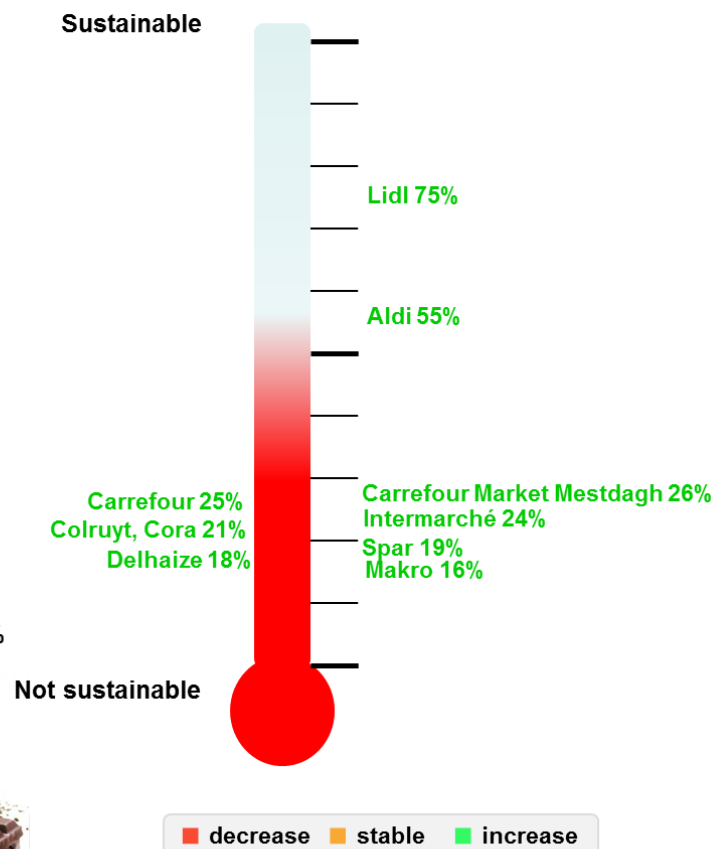
	Total assortment	Private label	Premium brand	Average number of facings	
				S	NS
Aldi	 55%	 57%	 0%	1,4	1,7
Carrefour	 25%	 14%	 29%	1,2	1,2
Carrefour Market Mestdagh	 26%	 12%	 29%	1	1
Colruyt	 21%	 16%	 23%	3,2	2,9
Cora	 21%	 5%	 26%	1,7	1,9
Delhaize	 20%	 15%	 21%	1,2	1,2
AD Delhaize	 15%	 15%	 15%	1	1,8
Intermarché	 24%	 19%	 25%	2,4	2,8
Lidl	 75%	 94%	 48%	1,6	2,2
Makro	 16%	 0%	 17%	1,2	1,3
Spar	 19%	 0%	 21%	1	1,3

S Sustainable **NS** Not sustainable

Sustainability cocoa barometer 2012



Sustainability cocoa barometer 2016



5.3.2.2 Analysis of results

We have observed, since 2012, an improvement for all chains audited. The product category offering the largest sustainable range is that of chocolate bars and blocks, followed by spreads, and lastly cocoa powder. It is, however, chocolate spread which has made the greatest improvement since 2012, with an increase of approximately 20%. While chocolate bars and cocoa powder have each seen an increase of around 17%.

Leading the field are the two discounters, Lidl and Aldi, which represent the biggest changes, and respectively offer their customers 75% and 55% sustainable cocoa (mainly Utz Certified). It should be noted that now 100% of the cocoa Lidl uses in its own brand products is sustainable, with 100% of its cocoa powder and 100% of the cocoa in its spreads being certified sustainable. Furthermore, Aldi was not selling any own brand sustainable products in 2012. Currently, 48% of the chain's range of chocolate blocks and bars are sustainable and 100% of its cocoa powder and 100% of its chocolate spread are certified.

The other chains have relatively comparable proportions of sustainable cocoa (going from 15% to 26%). Let us nevertheless highlight the fact that Delhaize Group has made the least progress, going from 16% sustainable products in 2012 to 18% in 2016.

The highest results are for the premium brand range, with the Jacques and Kwatta brands that both bear the UTZ label, and Côte d'Or (belonging to Mondelez International Group) which has Rainforest Alliance certified products in its range.

But since 2012, Mondelez International has launched its Cocoa Life program⁵², which among other things, helps small cocoa producers develop their businesses under good conditions, and organizes education programs. Mondelez International claims to want to make the whole chain sustainable, and eventually wants their entire cocoa supply to be sustainable. Thus, little by little, the Rainforest Alliance label has been disappearing to make way for the Cocoa Life logo, the latter not being equivalent to a third party certification providing independent and impartial confirmation of compliance with sustainability criteria. It is therefore not taken into account in our study.

By way of information, Colruyt Group would ultimately like to see its full range of own brand chocolate and chocolate products being made from sustainable cocoa, and has chosen to collaborate with UTZ Certified. Easter eggs were the first chocolate items to switch under UTZ certification, at the beginning of 2016. Boni Selection and Everyday blocks and bars of chocolate came next, as from mid-2016, in addition to chocolate spreads. The other products will have to follow, gradually, throughout 2016 and 2017⁵³.

The label with the greatest supermarket presence is UTZ Certified, followed by Fairtrade, Bio, and, to a lesser extent, Rainforest Alliance.

⁵² <http://www.cocoalife.org/>

⁵³ <https://www.simplysustainable.com/fr/temoignages/produit/cacao/>

5.4 Tea

World tea **production** (Black, Green and Instant) per year is around 5 million tons. China remains the largest tea producing country with an output of 1.9 million tons, accounting for more than 38% of the world total, while production in India, the second largest producer, also increased to reach 1.2 million tons in 2013. India, China, Sri Lanka, Kenya and Indonesia account for over 75% of the tea exports in the world⁵⁴.

World tea **consumption** continued to increase in 2013. Total tea consumption increased by nearly 5% in 2013 to 4.84 million tons. According to the Food and Agriculture Organization of the United Nations (FAO), black tea production is projected to grow at 2.9% annually to reach 4.17 million tons by 2023. Further, black tea consumption will grow at 3% annually to reach 4.14 million tons in 2023.

The 5 biggest tea-importing countries are Russia (10.3%), the USA (7.9%), the UK (6.8%), Saudi Arabia (4.3%) and Iran (4.2%).

In 2015, Belgium was the 20th largest tea importer in the world, while it was the 25th in 2010. Our importations represent 1.33% of global tea importations. Our country is also progressing in the ranking of EU importing countries, and has gone up a place on 2010. In 2015, Belgium was the 6th largest tea importer in the EU (overtaking Italy).

Countries	Import value 2010
UK	317
Germany	127
France	116
Poland	99
Netherlands	59
Italy	50
Belgium	39

Countries	Import value 2015
UK	401
Germany	222
France	165
Netherlands	108
Poland	107
Belgium	79
Italy	74

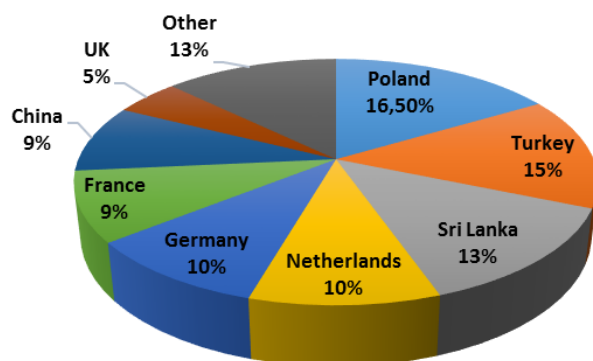
€ million

Source : ITC Trade Map

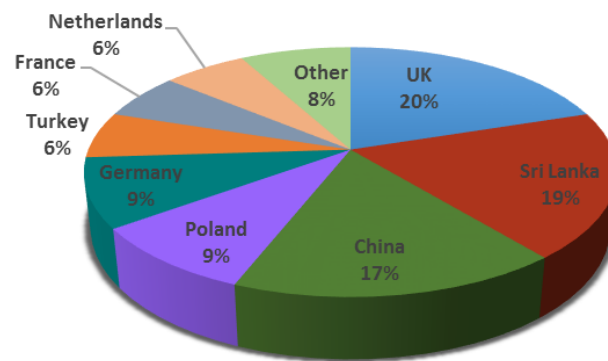
The major suppliers of tea to Belgium in 2015 were Poland, Turkey and Sri Lanka. We have seen a radical change since 2010 when the UK and China were the main suppliers of tea for Belgium, while Poland and Turkey were smaller markets.

⁵⁴ World tea production and trade. Current and future development, FAO, 2015, <http://www.fao.org/3/a-i4480e.pdf>

Supplying markets of tea to Belgium, 2015 (%)



Supplying markets of tea to Belgium, 2010 (%)



About 85% of global tea production is sold by multinationals. One-fifth of the market is controlled by 3 of those multinationals: Unilever (12%), Tata Global Beverages (formerly Tata Tea, 4%) and Twinings (3%).

The Belgian market for tea

Tea stagnated in 2015 with retail volume growth close to 0%. There were, however, important changes within the category. Consumption tended to switch away from black tea to other categories. Green tea grew by 2% in retail volume and value and fruit/herbal tea recorded 1% growth in retail volume and value as the profile of tea drinkers changed in Belgium.

In 2015, Lipton (Unilever) was the leader of the tea market with a 23% retail value share.⁵⁵ The other brands with a significant presence in the Belgian market are Twinings and Pickwick, but also store own brands, which are the only brands on offer in some outlets.

5.4.1 Sustainable Tea

In 2012, 577,000 metric tons, or 12% of global tea production, was considered compliant with a global sustainability standard. Kenya, India and Malawi are the top-selling countries for sustainable tea.

In 2012-2013, **Rainforest Alliance** tea production represented 7.6% of global tea production. Thanks to its partnerships with Tata Global Beverages, Unilever and Twinings, RFA gained a major platform for growth in the coming decade⁵⁶. In 2015, RFA accounted for 15.1% of the world's tea production⁵⁷.

In 2012-2013, **Fairtrade** tea production accounted for approximately 4% of global production, with 210,000 metric tons certified⁵⁸. About 39% of the Fairtrade tea was also organic. Global Fairtrade tea sales have increased six-fold since 2004, reaching 12,500 tons in

⁵⁵ <http://www.euromonitor.com/tea-in-belgium/report>

⁵⁶ https://www.iisd.org/pdf/2014/ssi_2014.pdf, p310.

⁵⁷ SAN/RFA Impact report, p.57, http://www.rainforest-alliance.org/sites/default/files/publication/pdf/SAN_RA_Impacts_Report.pdf

⁵⁸ Monitoring the scope and benefits of Fairtrade 6th edition 2014, p.106.

2012-13. In the UK, sales of Fairtrade tea have more than doubled since 2000 and account for roughly 8% of all UK tea sales⁵⁹.

UTZ certified is relatively new in the tea industry (first UTZ tea produced in 2009). In 2015, UTZ certified tea production accounted for approximately 2%⁶⁰ of world's production. The top-producing countries were Kenya, India and Malawi.

Organic standards represent the smallest share of all sustainable tea production volumes certified on a global scale. In 2012, organic tea production accounted for 1% of global production. The majority of organic tea is produced in three countries: China, India and Japan.

Major brands' commitment

Unilever has committed to source all its Lipton and PG Tips tea bags from Rainforest Alliance. Today, 66%⁶¹ of Unilever's total volumes are from sustainable sources.

Tata Global Beverages has committed to sourcing 100% of its black teas from Rainforest Alliance certified farms for all its Tetley-branded teas in EMEA (Europe, Middle East and Africa) and CAA (Canada, Australia and America) regions by 2016. In 2012, more than 50% of Tetley tea worldwide was Rainforest Alliance certified⁶².

In 2010, Twinings began to incorporate Rainforest Alliance tea into its Twinings Everyday brand, starting with 30% certified content. In 2014, the company stated that 59% of the gardens they bought from were certified either Fairtrade or Rainforest Alliance. Besides, Twinings is a founding member of the Ethical Tea Partnership (ETP) a membership organization working with tea producers and smallholder farmers to improve their living and working conditions, and help them to meet internationally recognized social and environmental standards⁶³.

5.4.2 Store visits

For the purpose of our study, we focused on 3 groups of tea products :

- **Black tea**
- **Black flavored tea**
- **Herbal tea**

⁵⁹ <http://www.fairtrade.org.uk/en/farmers-and-workers/tea>

⁶⁰ <https://www.utz.org/wp-content/uploads/2016/04/Annual-Report-2015-factsandfigures.pdf>

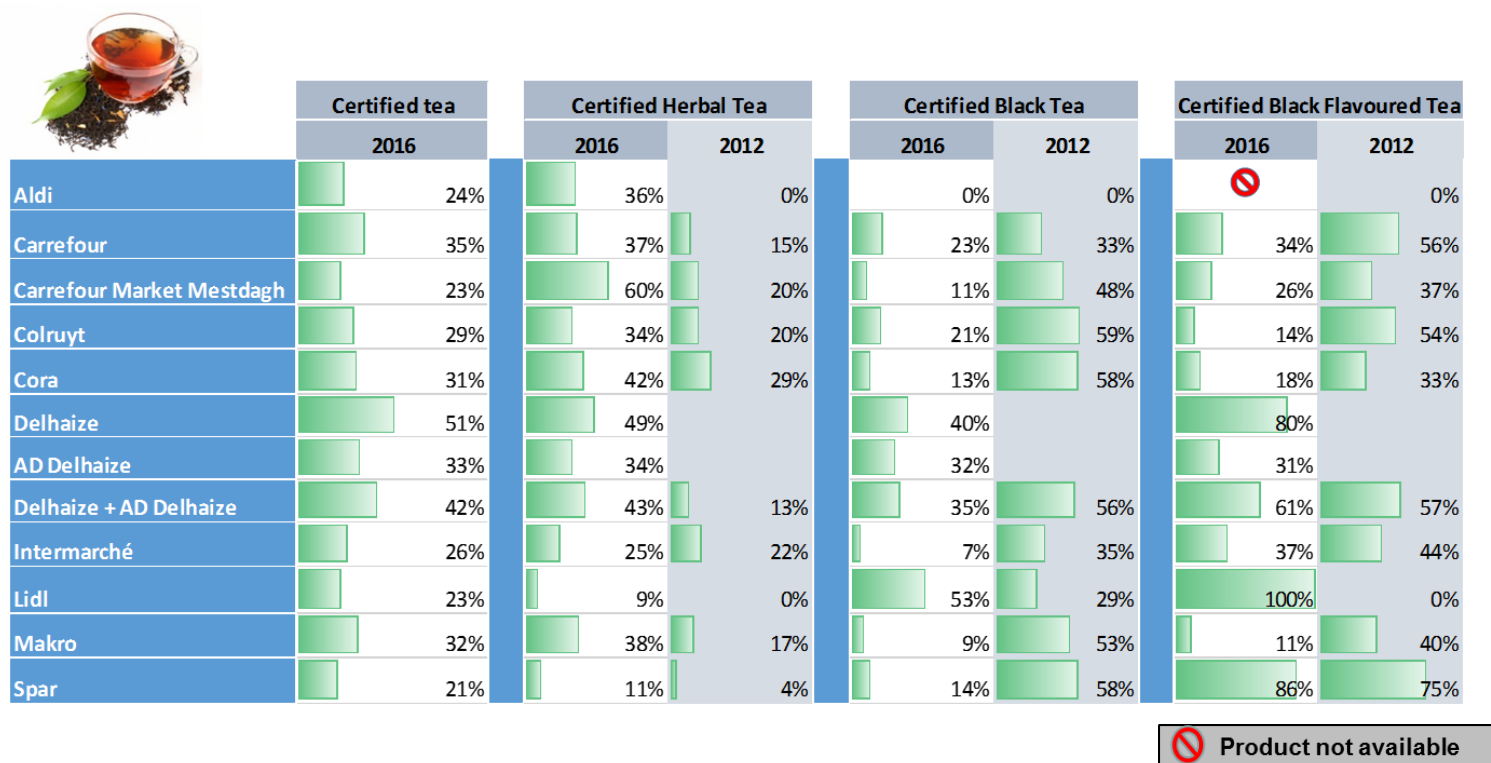
⁶¹ <https://www.unilever.com/sustainable-living/the-sustainable-living-plan/reducing-environmental-impact/sustainable-sourcing/sustainable-tea-leading-the-industry/>

⁶² <http://www.tataglobalbeverages.com/sustainability/sustainable-sourcing/the-initiatives/rainforest-alliance>

⁶³ <https://www.twining.co.uk/getattachment/About-Twinings/Corporate-Social-Responsibility/Ethical-Tea/Two-Goodness-Report-FINAL.pdf>

5.4.2.1 Presentation of results

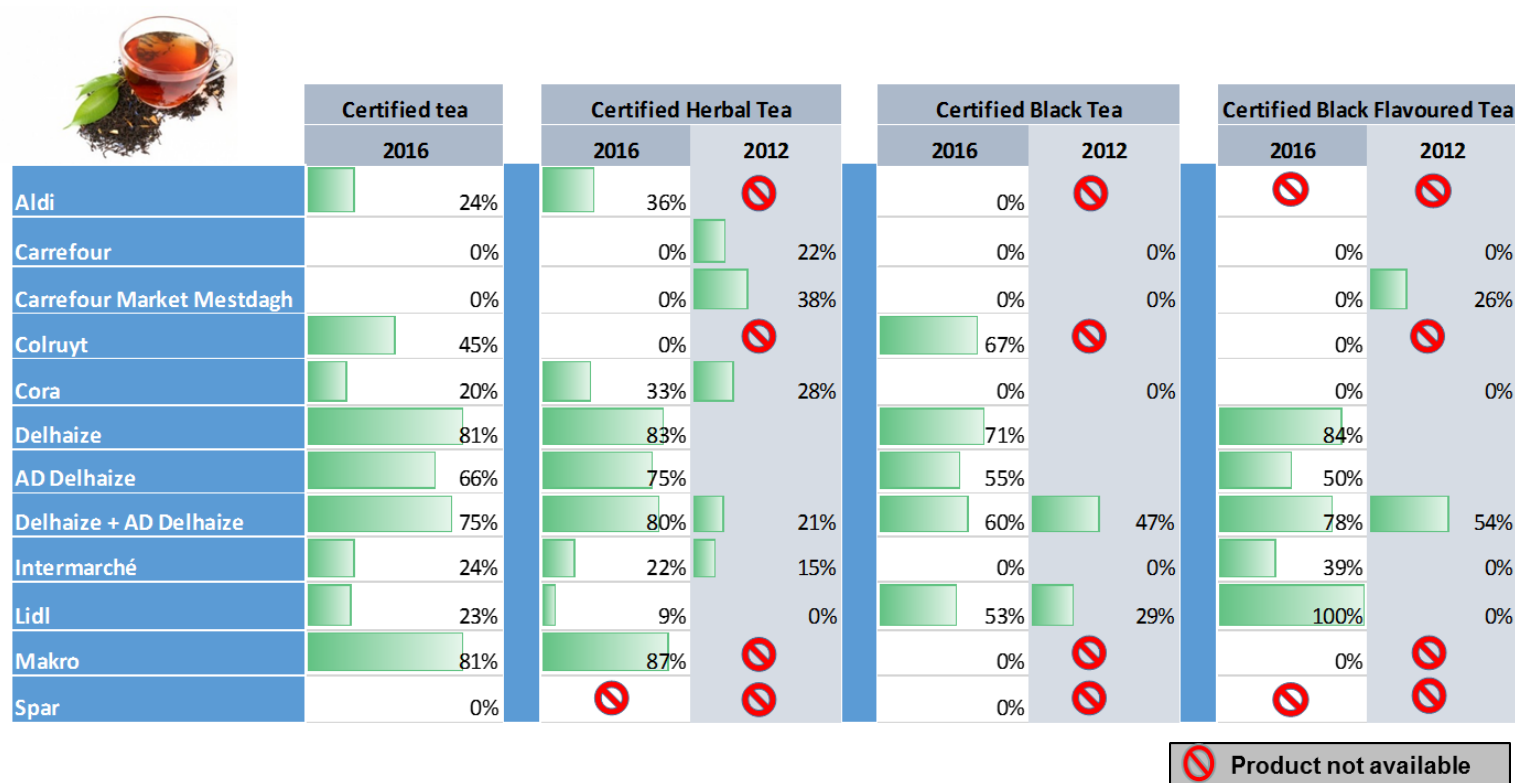
Share of tea with a sustainable label in the assortments of Belgian supermarkets



Distribution of labels among certified products

	Certified tea	Bio	Fairtrade	Utz Certified	Rainforest
Aldi	24%	100%	0%	0%	0%
Carrefour	35%	49%	33%	15%	36%
Carrefour Market Mestdagh	23%	0%	0%	0%	100%
Colruyt	29%	31%	9%	0%	69%
Cora	31%	64%	10%	0%	36%
Delhaize	51%	34%	10%	13%	24%
AD Delhaize	33%	52%	28%	20%	28%
Intermarché	26%	43%	21%	0%	38%
Lidl	23%	57%	43%	0%	43%
Makro	32%	8%	62%	9%	29%
Spar	21%	33%	33%	0%	67%

Share of private tea labels with a sustainable label in the assortments of Belgian supermarkets



Distribution of labels among certified products

	Certified tea	Bio	Fairtrade	Utz Certified	Rainforest
Aldi	24%	100%	0%	0%	0%
Colruyt	45%	100%	50%	0%	0%
Cora	20%	100%	0%	0%	0%
Delhaize	81%	65%	25%	35%	0%
AD Delhaize	66%	69%	35%	31%	0%
Intermarché	24%	64%	36%	0%	0%
Lidl	23%	57%	43%	0%	43%
Makro	81%	0%	100%	0%	0%

Share of premium tea brands with a sustainable label in the assortments of Belgian supermarkets







































	Certified tea	Certified Herbal Tea		Certified Black Tea		Certified Black Flavoured Tea	
	2016	2016	2012	2012	2016	2016	2012
Aldi			0%		0%		0%
Carrefour	45%	46%	13%	31%	39%	42%	67%
Carrefour Market Mestdagh	28%	75%	11%	13%	57%	32%	39%
Colruyt	27%	34%	20%	5%	73%	100%	55%
Cora	35%	43%	31%	15%	78%	25%	41%
Delhaize	29%	28%		25%		67%	
AD Delhaize	18%	17%		17%		25%	
Delhaize + AD Delhaize	23%	23%	6%	20%	60%	39%	58%
Intermarché	28%	28%	26%	17%	41%	33%	55%
Lidl			0%		0%		0%
Makro	19%	22%	17%	11%	58%	11%	32%
Spar	22%	11%	26%	17%	74%	86%	75%



Product not available

Distribution of labels among certified products

	Certified tea	Bio	Fairtrade	Utz Certified	Rainforest
Carrefour	45%	49%	33%	15%	36%
Carrefour Market Mestdagh	28%	0%	0%	0%	100%
Colruyt	27%	16%	0%	0%	84%
Cora	35%	59%	12%	0%	41%
Delhaize	29%	0%	0%	0%	100%
AD Delhaize	18%	21%	17%	0%	79%
Intermarché	28%	18%	5%	0%	82%
Makro	19%	17%	19%	19%	62%
Spar	22%	33%	33%	0%	67%

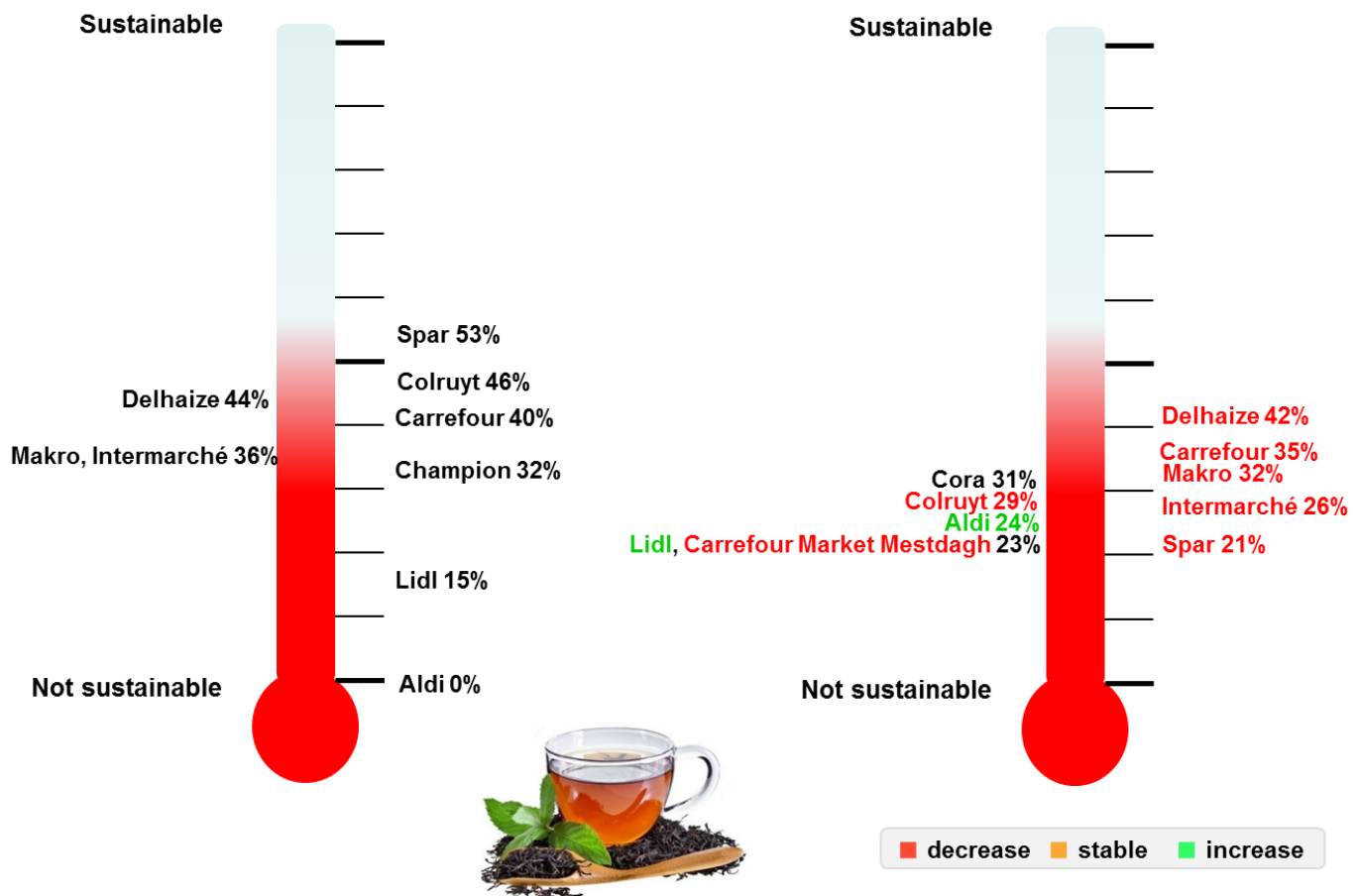
Proportion of sustainable tea in total assortment / in private labels / in premium brands

	Total assortment		Private brand		Premium brand		Average number of facings	
							S	NS
Aldi		24%		24%			4,7	4,9
Carrefour		35%		0%		45%	1,1	1
Carrefour Market Mestdagh		23%		0%		28%	1	1
Colruyt		29%		45%		27%	1,4	2,7
Cora		31%		20%		35%	2,2	3,5
Delhaize		51%		81%		29%	1,1	1,1
AD Delhaize		33%		66%		18%	1,1	1,9
Intermarché		26%		24%		28%	5,4	4,3
Lidl		23%		23%			2,7	1,1
Makro		32%		81%		19%	1,9	1,8
Spar		21%		0%		22%	1,4	1,3

 Product not available
  Sustainable
  Not sustainable

Sustainability tea barometer 2012

Sustainability tea barometer 2016



5.4.2.2 Analysis of results

With 51% of its tea certified, Delhaize is the chain with the largest offering. This offering is even larger within its range of own brand products (81%). The weak “performance” of AD Delhaize has, however, resulted in a slight fall for Delhaize Group (Delhaize + AD Delhaize) to 42% since 2012. In addition, all of the chains have seen their offering of certified sustainable herbal teas increase since 2012.

The two discounters, Aldi and Lidl, who now sell only own brand tea (Westminster for Aldi, and Fairglobe and Lord Nelson for Lidl) have made the biggest improvements with 24% (including 36% of certified herbal tea), and 23% (including 100% of sustainable flavored black tea and 53% of certified black tea) respectively.

With the exceptions of Aldi and Lidl, all stores visited saw a fall in the number of certified products. Spar and Colruyt, belonging to the same group, recorded the biggest reductions, with their respective figures falling from 53% in 2012 to 21%, and from 46% in 2012 to 29%.

Note that the majority of stores have also expanded their selection by adding their own brand products to it, while these were not available in 2012. This has notably been the case for Makro, which has made big improvements with 81% of its own brand tea being Fairtrade

certified, and for Colruyt, with its Bio-time brand, with 67% of its black tea being certified organic and Fairtrade. Spar has, for its part, added Everyday brand black tea to its aisles, but this is not certified sustainable.

Furthermore, we see that 8 chains out of 11 have improved their “performances” regarding their own brand. Carrefour and Carrefour Market Mestdagh are the only chains to record a reduction in this category, and are no longer selling own brand certified tea. This observation could be explained by the repositioning of its own brands, which Carrefour is no longer promoting to the same extent, and its propensity to return more to national brands.

The labels with the largest presence in Belgian supermarkets are Bio and Rainforest Alliance, followed by Fairtrade, and to a very limited extent, UTZ Certified.

5.5 Cane sugar

Every year, more than 180 million tons⁶⁴ of sugar are produced in the world. Around 80% of the world's sugar is derived from sugarcane, and 20% comes from sugar beet. The **production** of cane sugar is concentrated in tropical regions, particularly developing countries in Latin America, Africa, and Asia⁶⁵. Brazil and India are the world's two largest cane sugar producers. Together, they have accounted for over half the world's cane sugar production for the past 40 years. The main exporter countries are Brazil, Thailand and Australia. However, other producing countries, significantly consume and import, but have variable production cycles, which also influences this market (India, China, etc.)⁶⁶

Around 70% of production is **consumed** in domestic markets and only 30% is traded on the international market.

In the past, the trade in sugar was primarily managed by public authorities. But, over the last 20 years, most of this trade has been privatized. Currently, three large commercial players dominate the international market for unrefined and white sugar: Cargill, Tate & Lyle Sugars (which has embarked on a process of conversion to Fairtrade for all of its products) and Dreyfus Group⁶⁷.

The market for cane sugar in Belgium

Raffinerie Tirlemontoise Group (R.T. Group) is the market leader in Belgium. In addition to its "T" brand, which offers a range of cane sugar under the "Easy Sucre" name, the Belgian group owns the "Candico" brand, which offers fully Fairtrade certified cane sugar. Every year, around 6,000 tons of products made using Candico cane sugar are sold.

5.5.1 Sustainable cane sugar

In 2012, 2.7 % of the world's cane sugar was produced in compliance with a global sustainability standard. However, most of this sustainable production came from Bonsucro initiative. This is the world's only multi-stakeholder initiative, with a broad membership ranging from small-scale growers in India to multinationals like Coca Cola. This label is however not included in the scope of our study.

In 2012-2013, **Fairtrade** sugar production accounted for 0.3% of all cane sugar production. 20% of it was also organic certified.

In 2012, **Organic** production accounted for 0.24% of global cane sugar production. Brazil, Paraguay and Thailand are the major producers of organic cane sugar.

In 2012, **Rainforest Alliance** cane sugar production accounted for 0.05% of the world's production. In 2013, the organization had only 2 certified farms; one in Brazil and one in Salvador.

⁶⁴ <http://www.maxhavelaarfrance.org/sucre.html>

⁶⁵ <http://sugarcane.org/media-center/faqs>

⁶⁶ <http://www.maxhavelaarfrance.org/sucre.html>

⁶⁷

http://fairtradebelgium.be/sites/default/files/press/dossier_de_presse_candico_et_le_label_fairtrade_max_havelaar.pdf

Since 2008, the well-known Belgian company Candico has held a Fairtrade license for all of its sugar case based products.

5.5.2 Store visits

For the purpose of our study, we focused on 2 groups of sugar products :

- **Raw cane sugar:** packages of cubes or crystal sugar ranging from 200g to 1 000g.
- **White cane sugar:** packages of cubes or crystal sugar ranging from 200g to 1 000g.

5.5.2.1 Presentation of results

Share of cane sugar with a sustainable label in the assortments of Belgian supermarkets



	Certified cane sugar	Raw	White
Aldi			
Carrefour	69%	61%	100%
Carrefour Market Mestdagh	59%	83%	9%
Colruyt	63%	56%	100%
Cora	71%	77%	50%
Delhaize	75%	67%	100%
AD Delhaize	74%	70%	100%
Intermarché	92%	88%	100%
Lidl	100%	100%	
Makro	55%	50%	71%
Spar	80%	75%	100%

Product not available

Distribution of labels among certified products

	Certified cane sugar	Bio	Fairtrade
Carrefour	69%	35%	100%
Carrefour Market Mestdagh	59%	30%	100%
Colruyt	63%	0%	100%
Cora	71%	10%	100%
Delhaize	75%	39%	88%
AD Delhaize	74%	38%	90%
Intermarché	92%	26%	87%
Lidl	100%	0%	100%
Makro	55%	29%	71%
Spar	80%	0%	100%

Share of private cane sugar labels with a sustainable label in the assortments of Belgian supermarkets



	Certified cane sugar	Raw	White
Aldi			
Carrefour			
Carrefour Market Mestdagh			
Colruyt	100%		100%
Cora			
Delhaize	100%	100%	100%
AD Delhaize	100%	100%	100%
Intermarché	100%		100%
Lidl	100%	100%	
Makro			
Spar			


































Product not available


Distribution of labels among certified products

	Certified cane sugar	Bio	Fairtrade
Colruyt	100%	0%	100%
Delhaize	100%	100%	69%
AD Delhaize	100%	100%	67%
Intermarché	100%	43%	57%
Lidl	100%	0%	100%



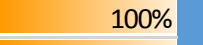





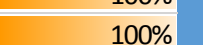


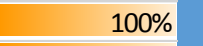


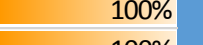












Share of premium cane sugar brands with a sustainable label in the assortments of Belgian supermarkets




































	Certified cane sugar	Raw	White
Aldi			
Carrefour	 69%	 61%	 100%
Carrefour Market Mestdagh	 59%	 83%	 9%
Colruyt	 56%	 45%	 100%
Cora	 71%	 77%	 50%
Delhaize	 65%	 58%	 100%
AD Delhaize	 67%	 62%	 100%
Intermarché	 89%	 88%	 100%
Lidl			
Makro	 55%	 50%	 71%
Spar	 80%	 75%	 100%




 Product not available

Distribution of labels among certified products

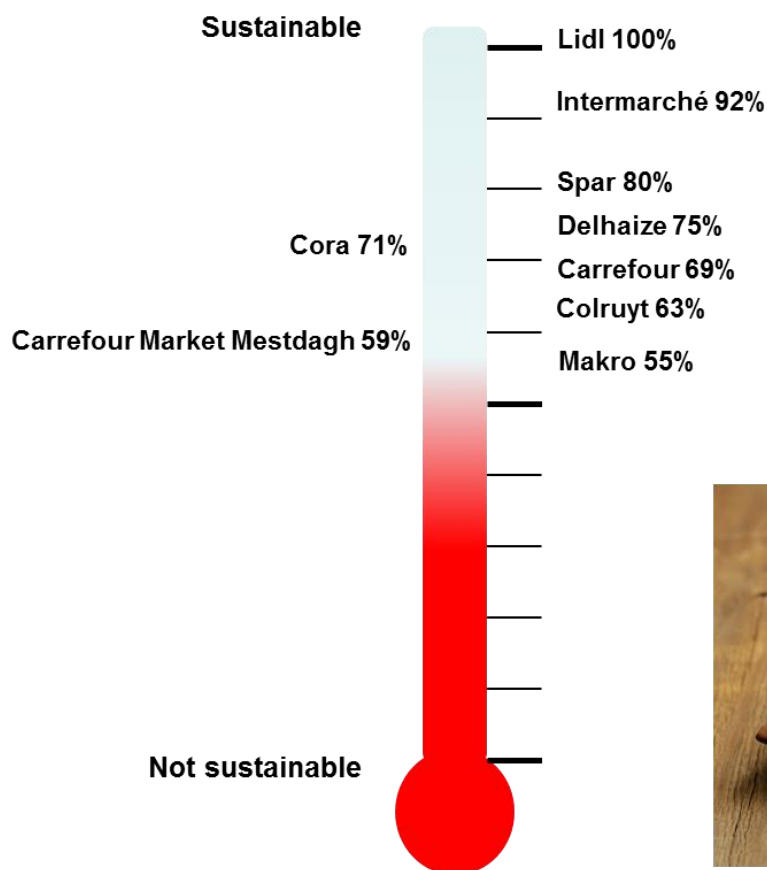
	Certified cane sugar	Bio	Fairtrade
Carrefour	 69%	 35%	 100%
Carrefour Market Mestdagh	 59%	 30%	 100%
Colruyt	 56%	 0%	 100%
Cora	 71%	 10%	 100%
Delhaize	 65%	 0%	 100%
AD Delhaize	 67%	 10%	 100%
Intermarché	 89%	 19%	 100%
Makro	 55%	 29%	 71%
Spar	 80%	 0%	 100%

Proportion of sustainable cane sugar in total assortment / in private labels / in premium brands

	Total assortment	Private label	Premium brand	Average number of facings	
				S	NS
Aldi					
Carrefour	 69%		 69%	1,1	1,1
Carrefour Market Mestdagh	 59%		 59%	1	1,1
Colruyt	 63%	 100%	 56%	2,4	2,1
Cora	 71%		 71%	1,9	1,8
Delhaize	 75%	 100%	 65%	1,2	1
AD Delhaize	 74%	 100%	 67%	1,8	1,8
Intermarché	 92%	 100%	 89%	4,9	2
Lidl	 100%	 100%		1,8	
Makro	 55%		 55%	2,6	1,1
Spar	 80%		 80%	1,6	1

 Product not available  Sustainable  Not sustainable

Sustainability cane sugar barometer 2016



As cane sugar was not included in the research conducted in 2012, yet no evolution can be measured.

5.5.2.2 Analysis of results

In 2016, Lidl was the only chain which sold only own brand sustainable cane sugar (100% Fairtrade). Intermarché (92%) is second, followed by Spar (80%) and Delhaize (75%). Moreover, the own brand products of Colruyt, Delhaize, AD Delhaize, Intermarché and Lidl are fully certified as sustainable.

It should be highlighted that all of the chains have a relatively high sustainable cane sugar offering. Given the low amount of sustainable cane sugar exported worldwide, these results are very positive.

The most represented brands are Candico, Tirlemont and Purevia. Products are predominantly certified Fairtrade, with some certified Organic.

Aldi does not sell cane sugar at all in its range.

5.6 Rice

Rice is the 2nd most produced food grain worldwide, with global production of more than 479 million tons (2014) per year. Asia dominates global rice production with 91.2% of production and 89% of lands. The five biggest producing countries, all Asian, represent more than 70% of global tonnage with China and India alone having a weighting of around 55% of the total. The other continents combined (Africa, America, Europe and Oceania) only total 8.8%. Harvests are primarily self-consumed and traded within the producing country. Consequently, only 7% of global production enters the international market. In fact, China, the biggest rice producer worldwide (30%), is also the biggest rice consumer.

The top 5 exporter countries are India, Thailand, Vietnam, Pakistan and the USA. Belgium, which imports in order to re-export the rice to other European countries, comes in as the 12th biggest rice exporting country. Its exports are mainly destined to the European market; France first of all, followed by Germany, the UK, the Netherlands and Sweden.

Ranking	Countries	Exportation 2014 (MT)
1	India	11,162,015
2	Thailand	10,969,362
3	Vietnam	6,334,786
4	Pakistan	3,777,086
5	USA	3,420,090
12	Belgium	246,695

Source: ITC Trade map

Of all of the cereals, rice is the most demanding in terms of heat, water and labor. In 2015, the FAO [Food and Agriculture Organization of the United Nations]⁶⁸ forecast manifest disruptions in the harvesting of rice on account of climatic anomalies. The influence of El Niño⁶⁹, insufficient rainfall in the main producer regions, and conversely, untimely rainfall and flooding in some African countries, notably in Egypt and in Madagascar, have had a negative impact on rice farming.

The rice market in Belgium

In Belgium, the market for rice is estimated at around 20,000 tons per year (including 15,000 tons exclusively for volume retailing). Belgians consume 2 kilos of rice per person per year, compared to 3 kilos of pasta and 80 kilos of potatoes, while 30% of Belgians never eat rice.⁷⁰ Uncle Ben's, which belongs to the American group Mars (Ebly, Snickers, Twix, Pedigree, Whiskas,...), is the Belgian market leader with a 40% market share (by value). These last 10 years, the company has achieved significant growth thanks in particular to the success of its "microwavable" Express product range.

In second place, is the brand Bosto (33%), followed by stores' own brands (25%).⁷¹

⁶⁸ <http://www.fao.org/economic/est/publications/publications-sur-le-riz/suivi-du-marche-du-riz-smr/fr/>

⁶⁹ The El Niño phenomenon takes place approximatively every two to seven years and is characterized by a large positive anomaly in the surface temperature of the Pacific ocean.

⁷⁰ <http://www.lalibre.be/economie/actualite/uncle-ben-s-a-toutes-les-sauces-51b896fee4b0de6db9b114b1>

⁷¹ <http://www.lalibre.be/economie/actualite/mars-belgium-de-twix-a-kitekat-51b896ebe4b0de6db9b10b4e>

5.6.1 Sustainable rice

In spite of several initiatives, the growing and marketing of sustainable rice are not yet particularly developed. Amongst these initiatives, we can notably mention the Sustainable Rice Platform (SRP), a global alliance of agricultural research institutes, food processing companies and public sector and civil society organizations, brought together by the United Nations Environment Program (UNEP). In Manila, in October 2015, the SRP⁷² launched its “SRP Standard for Sustainable Rice Cultivation”, which aims to provide the entire rice production chain with the tools facilitating the large scale adoption of sustainable practices. This system offers a “sustainability assessment” based on 46 standards grouped into 8 main categories, including productivity, food security, workers’ health, employment rights and biodiversity.

5.6.2 Store visits

For the purpose of our study, we focused on 3 groups of rice products :

- **White rice:** packages ranging from 250g to 5000g
- **Basmati rice:** packages ranging from 250g to 5000g
- **Brown rice:** packages ranging from 250g to 5000g

⁷² <http://www.sustainablerice.org/>

5.6.2.1 Presentation of results

Share of rice with a sustainable label in the assortments of Belgian supermarkets



	Certified rice	Certified White Rice	Certified Basmati Rice	Certified Brown Rice
Aldi	<div><div></div></div> 32%	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 100%
Carrefour	<div><div></div></div> 3%	<div><div></div></div> 4%	<div><div></div></div> 0%	<div><div></div></div> 0%
Carrefour Market Mestdagh	<div><div></div></div> 3%	<div><div></div></div> 5%	<div><div></div></div> 0%	<div><div></div></div> 0%
Colruyt	<div><div></div></div> 17%	<div><div></div></div> 13%	<div><div></div></div> 18%	<div><div></div></div> 26%
Cora	<div><div></div></div> 8%	<div><div></div></div> 4%	<div><div></div></div> 8%	<div><div></div></div> 29%
Delhaize	<div><div></div></div> 12%	<div><div></div></div> 12%	<div><div></div></div> 9%	<div><div></div></div> 18%
AD Delhaize	<div><div></div></div> 13%	<div><div></div></div> 13%	<div><div></div></div> 11%	<div><div></div></div> 14%
Intermarché	<div><div></div></div> 5%	<div><div></div></div> 0%	<div><div></div></div> 17%	<div><div></div></div> 6%
Lidl	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 0%
Makro	<div><div></div></div> 5%	<div><div></div></div> 3%	<div><div></div></div> 10%	<div><div></div></div> 4%
Spar	<div><div></div></div> 5%	<div><div></div></div> 0%	<div><div></div></div> 20%	<div><div></div></div> 0%

Distribution of labels among certified products

	Certified rice	Bio	Fairtrade
Aldi	<div><div></div></div> 32%	<div><div></div></div> 100%	<div><div></div></div> 100%
Carrefour	<div><div></div></div> 3%	<div><div></div></div> 100%	<div><div></div></div> 50%
Carrefour Market Mestdagh	<div><div></div></div> 3%	<div><div></div></div> 100%	<div><div></div></div> 0%
Colruyt	<div><div></div></div> 17%	<div><div></div></div> 100%	<div><div></div></div> 33%
Cora	<div><div></div></div> 8%	<div><div></div></div> 100%	<div><div></div></div> 0%
Delhaize	<div><div></div></div> 12%	<div><div></div></div> 75%	<div><div></div></div> 50%
AD Delhaize	<div><div></div></div> 13%	<div><div></div></div> 75%	<div><div></div></div> 50%
Intermarché	<div><div></div></div> 5%	<div><div></div></div> 40%	<div><div></div></div> 80%
Makro	<div><div></div></div> 5%	<div><div></div></div> 100%	<div><div></div></div> 100%
Spar	<div><div></div></div> 5%	<div><div></div></div> 100%	<div><div></div></div> 0%

Share of private rice labels with a sustainable label in the assortments of Belgian supermarkets



	Certified rice	Certified White Rice	Certified Basmati Rice	Certified Brown Rice
Aldi	<div><div></div></div> 32%	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 100%
Carrefour	<div><div></div></div> 4%	<div><div></div></div> 7%	<div><div></div></div> 0%	<div><div></div></div> 0%
Carrefour Market Mestdagh	<div><div></div></div> 9%	<div><div></div></div> 14%	<div><div></div></div> 0%	<div><div></div></div> 0%
Colruyt	<div><div></div></div> 16%	<div><div></div></div> 15%	<div><div></div></div> 31%	<div><div></div></div> 0%
Cora	<div><div></div></div> 18%	<div><div></div></div> 13%	<div><div></div></div> 27%	<div><div></div></div> 33%
Delhaize	<div><div></div></div> 33%	<div><div></div></div> 29%	<div><div></div></div> 36%	<div><div></div></div> 38%
AD Delhaize	<div><div></div></div> 36%	<div><div></div></div> 30%	<div><div></div></div> 30%	<div><div></div></div> 60%
Intermarché	<div><div></div></div> 7%	<div><div></div></div> 0%	<div><div></div></div> 43%	<div><div></div></div> 0%
Lidl	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 0%
Makro	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 0%	<div><div></div></div> 0%
Spar	<div><div></div></div> 18%	<div><div></div></div> 0%	<div><div></div></div> 75%	<div><div></div></div> 0%

Distribution of labels among certified products

	Certified Rice	Bio	Fairtrade
Aldi	<div><div></div></div> 32%	<div><div></div></div> 100%	<div><div></div></div> 100%
Carrefour	<div><div></div></div> 4%	<div><div></div></div> 100%	<div><div></div></div> 0%
Carrefour Market Mestdagh	<div><div></div></div> 9%	<div><div></div></div> 100%	<div><div></div></div> 0%
Colruyt	<div><div></div></div> 16%	<div><div></div></div> 100%	<div><div></div></div> 0%
Cora	<div><div></div></div> 18%	<div><div></div></div> 100%	<div><div></div></div> 0%
Delhaize	<div><div></div></div> 33%	<div><div></div></div> 67%	<div><div></div></div> 33%
AD Delhaize	<div><div></div></div> 36%	<div><div></div></div> 67%	<div><div></div></div> 33%
Intermarché	<div><div></div></div> 7%	<div><div></div></div> 0%	<div><div></div></div> 100%
Spar	<div><div></div></div> 18%	<div><div></div></div> 100%	<div><div></div></div> 0%

Share of premium rice brands with a sustainable label in the assortments of Belgian supermarkets




































	Certified rice	Certified White Rice	Certified Basmati Rice	Certified Brown Rice
Aldi				
Carrefour	2%	3%	0%	0%
Carrefour Market Mestdagh	0%	0%	0%	0%
Colruyt	17%	13%	6%	38%
Cora	4%	1%	0%	27%
Delhaize	4%	8%	0%	0%
AD Delhaize	4%	8%	0%	0%
Intermarché	4%	0%	3%	9%
Lidl				
Makro	6%	3%	10%	5%
Spar	0%	0%	0%	0%




Product not available

Distribution of labels among certified products

	Certified rice	Bio	Fairtrade
Carrefour	2%	100%	100%
Colruyt	17%	100%	45%
Cora	4%	100%	0%
Delhaize	4%	100%	100%
AD Delhaize	4%	100%	100%
Intermarché	4%	100%	50%
Makro	6%	100%	100%

Proportion of sustainable rice in total assortment / in private labels / in premium brands

	Total assortment		Private brand		Premium brand		Average number of facings	
							S	NS
Aldi		32%		32%		2%	1,7	3,3
Carrefour		3%		4%		2%	1	1,3
Carrefour Market Mestdagh		3%		9%		0%	1	1
Colruyt		17%		16%		17%	2,3	2,1
Cora		8%		18%		4%	1,8	2,8
Delhaize		12%		33%		4%	1,4	1,3
AD Delhaize		13%		36%		4%	2,2	2,2
Intermarché		5%		7%		4%	3,2	4,4
Lidl		0%		0%		0%		2,5
Makro		5%		0%		6%	2,2	1,8
Spar		5%		18%		0%	1,6	1,2

 Product not available
  Sustainable
  Not sustainable

Sustainability rice barometer 2016



As rice was not included in the research conducted in 2012, yet no evolution can be measured.

5.6.2.2 Analysis of results

Amongst the researched products in this survey, sustainable rice constitutes the proportionally least well represented product category in supermarkets.

Aldi, which only sells its own brand rice (Bon-Ri) is the chain with the largest sustainable rice offering with 32% of rice certified organic and Fairtrade. Two other supermarkets stand out; Colruyt (17%) and the Delhaize group (12%), whose own brand has the highest proportion of sustainable rice (34%).

The only labels represented are Bio, followed by Fairtrade.

These poor results can be explained by the significant presence of brands such as Uncle Ben's, Bosto and Gallo, which do not include any sustainable range at all. The premium brands offering sustainable products are primarily Oxfam, Ethiquable and Jardin bio. While the highest scores were linked to own brand products.

For that matter, Colruyt Group recently announced the completion of the developed rice farming project in the Collines [hills] region of Benin, and which had the objective of developing the local economy. By opening up its market to a part of the production, Colruyt

has made it possible to boost production and to increase rice quality so that it can meet demand, including in the national and regional markets. Through this experiment, the partners have established an internal control system, focused on the quality of the rice, sustainable production techniques and the social and organizational aspects. Now that Beninese rice has found an opening in its own territory, FLO certification is no longer necessary. Indeed, the (relatively too small) quantities exported did not make it possible to bear the cost that the label brought. This is the reason why Colruyt will no longer sell rice from the Collines. However, Colruyt Group, through its fund, the Colibri Foundation for education, is continuing its activities in this region by investing in the education of the young people from the families of the farmers involved⁷³.

⁷³ <https://www.colruytgroup.be/fr/story/aboutissement-du-projet-%C2%AB-riz-b%C3%A9nin-%C2%BB>

6. Context for understanding the results

It is important to avoid an overly simplistic reading of the results. The objective was not to obtain a ranking of the supermarkets. To have done this, one would have to have taken account of several criteria: the size of the store (a Cora Hypermarket is not the same as a Spar store), the number of products that the various stores offer (1,800 items at Lidl compared to 90,000 at Makro), the type of the stores (discounter, hypermarket, supermarket, wholesaler), and the target clientele (even if socio-economic divisions are less and less marked, there are still differences between the populations frequenting certain types of store; so Aldi and Delhaize do not necessarily share the same clientele).

The results obtained are dependent on the products which were available when the surveys were carried out. Thus, it is possible that some products were not available on the visit days due to stock outs, or due to the stores awaiting deliveries. But it was impossible to know this at the time of the visits.

The differences observed between the 2012 and 2016 results can be explained by expanding product ranges; notably with regard to coffee pods or capsules which have seen significant growth in recent years. Thus a percentage decrease in the sustainable product offering does not necessarily mean that the store has reduced the number of sustainable items, but that it has perhaps extended its non-sustainable product offering.

Several store managers have told us about the geographical differences that they had noticed with regard to the consumption of sustainable products. Thus, according to Carrefour Mestdagh, sustainable products are less successful in the South of the country. These stores therefore adapt to (local) demand, which explains why two sales outlets belonging to the same group can offer different product selections.

Companies like Rombouts also share the philosophy that the consumer has a central role: “It’s not us that decides what the consumer is going to buy, it’s the consumer who’s going to decide what we can sell them⁷⁴”.

Furthermore, it has often been a matter of the decision making power of the store’s buyer who therefore has a strong capacity to influence the product offering. A store with a buyer with a greater awareness of sustainable products will probably have a larger range of this type of products. For chains made up of franchised stores (Intermarché, Spar, Delhaize...), the differences in ranges between outlets are even more significant.

Ethiquable, a cooperative specializing in produce from small scale agriculture, adds that the majority of Belgian supermarkets are segmented; i.e. a buyer specializing in chocolate will be focused on chocolate. It is therefore difficult to find negotiators with a transversal vision, who are interested in other sustainable products. We were, however, unable to verify this information with the stores.

⁷⁴ Rombouts Interview 09/02/2016.

7. Conclusion

Through this study, we have attempted to draw up a statement of condition on the presence of sustainable coffee, cocoa, bananas, tea, cane sugar and rice in Belgian supermarkets. By “sustainable”, we mean, in the context of this study, products bearing at least one of the following labels: Fairtrade, UTZ Certified, Rainforest Alliance and Bio (organic). These are so-called “third party”-certifications, the compliance of which being verified by an external and independent organization.

Supermarket chains are major players in the sale of sustainable products; in 2015, 42% of organic products were purchased in conventional supermarkets, compared to 33% in specialist stores. Furthermore, Fairtrade Belgium says that 53% of fair trade purchases are made in supermarkets. The role of supermarkets in the promotion of these types of products is therefore undeniable.

Upon conclusion of this study, it would appear that the product category that is proportionally most represented in sustainable form in Belgian supermarkets is cane sugar (average of 74% compared to the total offering). This is followed by bananas (63%), tea (30%), cocoa (29%), coffee (22%), and lastly rice (9%). In terms of development, we observe that since 2012, certified bananas and cocoa have seen a marked improvement, while certified sustainable tea and coffee have seen a decline.

For coffee, the label with the greatest presence is UTZ Certified. This can notably be explained by the fact that this label can be found on the Douwe Egberts Group coffees sold in the vast majority of supermarkets, as well as on the majority of Delhaize brand coffees. Lidl has the highest share of sustainable coffee offering, accounting for 50% of its total selection. A general observation is the tendency for chains to develop more their own brand coffee.

For bananas we’ve observed the highest sustainability share in the premium brands, with Rainforest Alliance being the most prominent label. However, Lidl, only offering its own brand of bananas, is currently the only chain in which 100% of the bananas sold are certified sustainable.

All chains have improved their offer related to sustainable cocoa. Leading the field are the two discounters, Lidl and Aldi, respectively offering their customers 75% and 55% sustainable cocoa. UTZ is the most prominent label.

The labels on tea with the largest presence in Belgian supermarkets are Bio (organic) and Rainforest Alliance. With the exceptions of Aldi and Lidl, all stores visited had a proportional decrease of the number of certified tea products offered. As for coffee, there is a tendency for the chains to expanded their selection by adding their own brand products to it. With 42%, Delhaize has the highest share of certified tea on sale.

All of the chains have a relatively high sustainable cane sugar offering. The private labels of Colruyt, Delhaize, Intermarché and Lidl are 100% certified as sustainable. Products are predominantly certified Fairtrade.

Finally, rice constitutes the proportionally least well represented product category in supermarkets. Aldi, which only sells its own brand rice, is the chain with the largest sustainable rice offering with 32% certified organic and Fairtrade.

The two discounters, Aldi and Lidl, are the only chains to have made improvements in all of the 4 product categories studied in 2012 (coffee, bananas, tea and cocoa). On average, Aldi and Lidl have respectively recorded an improvement of 24% and 21%. They are followed by Carrefour Market Mestdagh (+13.5%), Makro (+6%) and Carrefour (+5.5%). Intermarché and Delhaize have seen their results get slightly worse (-0.25% and -0,5% respectively), while Colruyt (-4%) and Spar (-11%) are the chains that have recorded the poorest results.

As previously mentioned, these figures do not take account of the various factors that could influence the results, such as range expansions or the end of a partnership with a label (e.g.: Mondelez).

Furthermore, some chains have chosen to sell own brand products that respect the “sustainability” criteria without bearing one or more of the labels certified by a third party such as those included within the context of this study.

Indeed, the cost of certification can be a deterrent for chains, as well as for small producers. Moreover, there are currently a multitude of labels of varying degrees of restrictiveness which can cause confusion among consumers. Nevertheless, the most recognized label, and that which has the most demanding criteria in terms of “sustainability” remains Fairtrade. Our study also revealed that this was the label that was most represented in Belgian supermarkets for the products studied. It is closely followed by the Bio label, followed finally by the UTZ Certified and Rainforest Alliance labels which come not far behind it. It should be pointed out that Rainforest Alliance has a greater presence with regard to premium brands than private labels, for bananas, tea and cocoa in particular.

Although the retail sector has an important role to play in promoting the consumption of sustainable products, the fact remains that awareness-raising and educating citizens on the manufacturing processes for the products studied are paramount. Fairtrade Belgium confirmed to us, during the interview, that the Fairtrade product offering is larger than demand in the Northern countries. Fairtrade’s objective is thus to ensure that this demand increases, in order to rebalance the relationship. This also pertains to cultural and geographical characteristics. Countries such as Great Britain, the Netherlands or Switzerland have markets that are significantly more open to sustainable products than Belgium.

8. Validation of results and latest developments by the supermarket chains

Upon completion of this study, a draft report of the results was sent to all concerned supermarket chains. Lidl and Marko were the only ones to react, and confirmed the results.

Besides, Makro communicated some new developments, that were not entirely visible at the time of the store visits:

Quote:

“As for the products in the study:

1. **Coffee:**

New: Since the end of the year 2016, our own brand coffee from RIOBA 1kg (ground coffee & beans) and the RIOBA PADS are completely CO2 neutral (vincotte certifications). Besides this we sell the Beyers Fairtrade coffee.

2. **Tea:** all the RIOBA tea (own brand), is Fairtrade.

3. **Cocoa:** our own brand cocoa powder is UTZ certified since 2016 (this is also new).”
