



Fergus McReynolds

Dairy UK

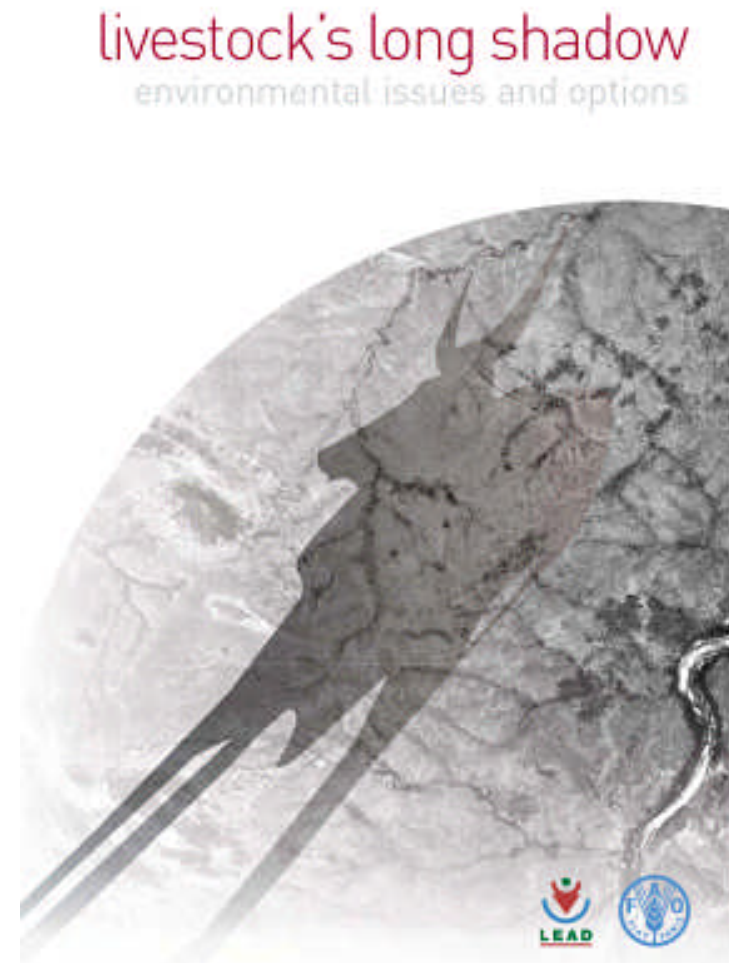
Dublin 30<sup>th</sup> March 2009

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UK

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# Dairy and the Environment

- Traditional Industry
- Natural Products
- Stewards of the Land



# The Challenges

- Agriculture is responsible for 7-8% of UK GHG emissions (dairy farming c. 2%)
- Agriculture causes 11% of UK's serious pollution incidents
- Milk processing is energy intensive
- Milk processing uses 1.3 litres water per litre of milk
- 45% of households discard some milk in an average week
- 73% of all packaging is recyclable, but only 49% of milk bottles are recycled

# Stimulus for Environmental objectives?

- Pressure
  - Government
  - Media
- Customer driven
  - Consumers or Retailers

**Telegraph**  
Carbon footprint labels should be displayed on new products say MPs

**THE INDEPENDENT** CLIMATE CHANGE  
Emissions from burping cows 'higher than family car'

[guardian.co.uk](http://guardian.co.uk)

Carbon labels to help shoppers save planet

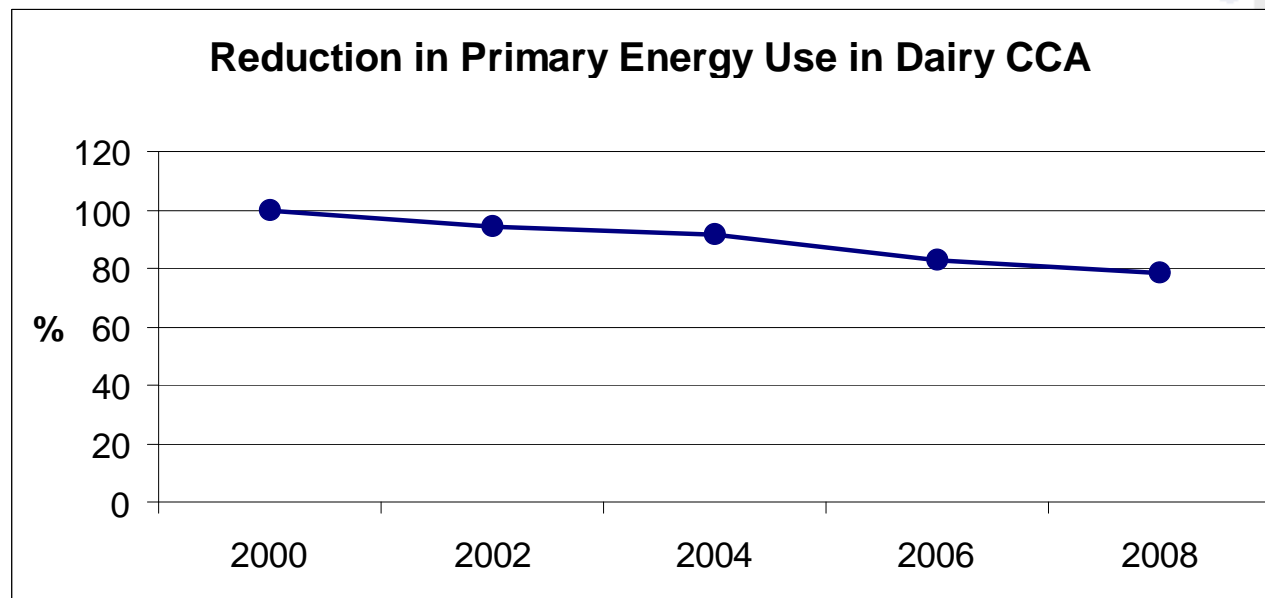
- What about Economic?

# Does it make economic sense?

- Efficiency improvements
  - Energy
  - Water
  - Resources

# Does it make economic sense?

- Efficiency improvements
  - Energy - Climate Change Agreements

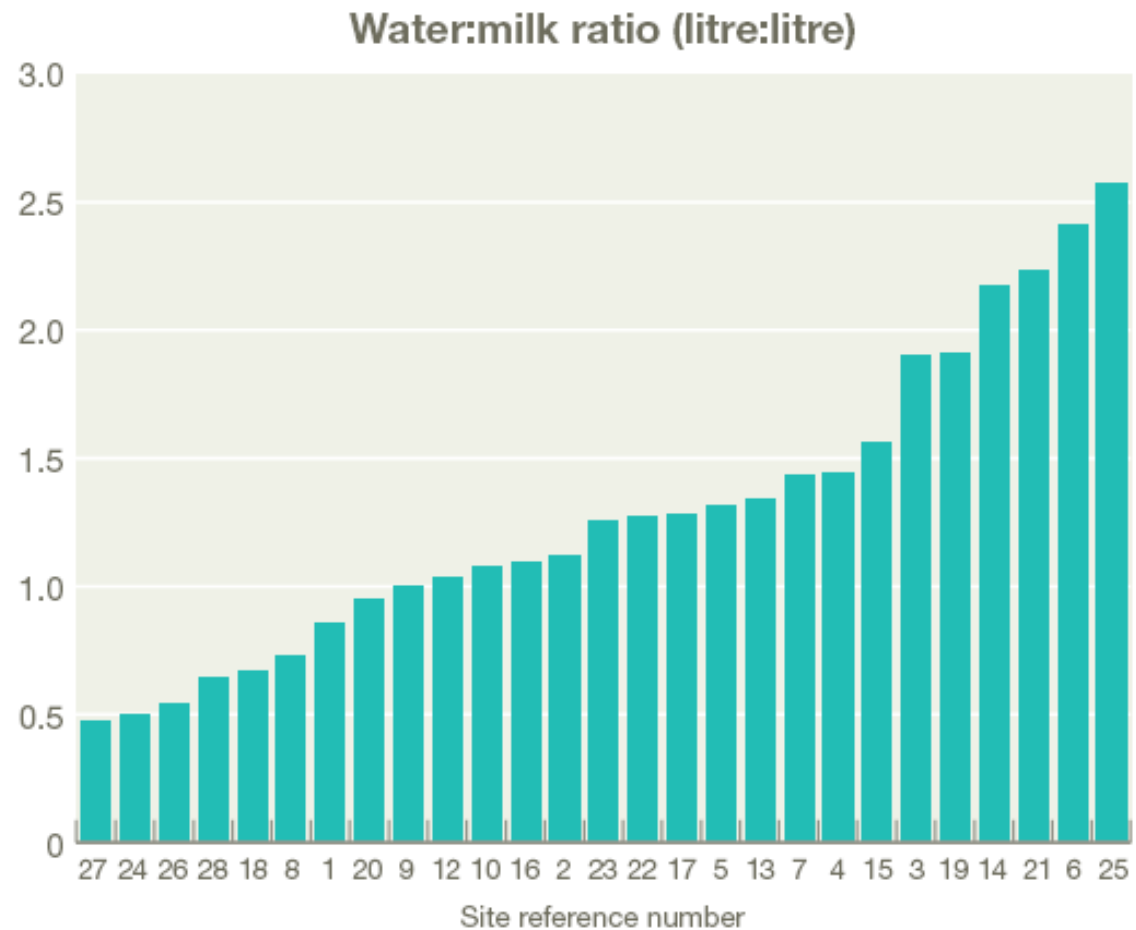


# Does it make economic sense?

- Efficiency improvements

- Energy

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# Does it make economic sense?

- Efficiency improvements
  - Energy
  - Water
  - Resources



# Case Studies - Farming

- Nutrition management

2007  
cut in methane  
emissions

# Case Studies - Farming

- Nutrition management
- Nitrogen management

“

Careful use of 'natural fertiliser' has cut the volume of synthetic product we need by a third.

”

# Case Studies - Farming

- Nutrition management
- Nitrogen management
- On Farm Energy

170,000kWh  
of greener  
electricity

# Case Studies - Processing

- Energy Use

# Case Studies - Processing

- Energy Use
- Water

# Case Studies - Processing

- Energy Use
- Water
- Packaging

## Beyond efficiency

- Responding to Customers
  - Retailers and Consumers
- Renewable Energy
  - Fuel prices
- The Milk Roadmap

# The Milk Roadmap

- Identify the impacts
- Define a vision
- Set out a course of action

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# Impact of the Roadmap

- Government
  - Working in partnership to avoid legislation
- Media
  - The Good News Story
- Customers
  - Retail pressure
  - Consumer demand?



## UK dairying leads with green credentials

\* The UK dairy industry is leading the world when it comes to improving its environmental credentials, says Dairy UK, which has produced a booklet showing examples of what is being done throughout the supply chain.

# Are consumers responding?

- Consumer drivers
- Price still high
- Is environment still high in 2009?

23<sup>rd</sup> March

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**TIMES** **ONLINE**

Shoppers still recognise the importance of reducing carbon emissions in spite of recession

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## Is this a UK issue?

- Government
  - “The Low Carbon Economy”
  - Mandelson – *“The Low Carbon Industrial Revolution”*
- Retailers
  - TESCO – Carbon Labelling
- Milk Roadmap

# Pressure in other countries

- Australia

**WA**today  
.com.au

A carbon tax is the way to  
cut emissions

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# Pressure in other countries

- Australia
- USA
  - Wal-Mart Sustainability Goals 2.0

*“Wal-Mart is working to be supplied by 100 percent renewable energy, create zero waste and sell sustainable products.”*

## Pressure in other countries

- Australia
- USA
- Ireland

**IRISHTIMES**

'Cow tax' may be introduced to reduce emissions

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# Is Sustainability Sustainable?

- Short to Medium term
- Savings from efficiency savings
- Early mover advantage
  - First roadmap
- Positive news story
- Responding to consumers

# Is Sustainability Sustainable?

- Long term
- Fuel and food security
- Will require investment
- Nicholas Stern Report: “cost of inaction?”



Thank you

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