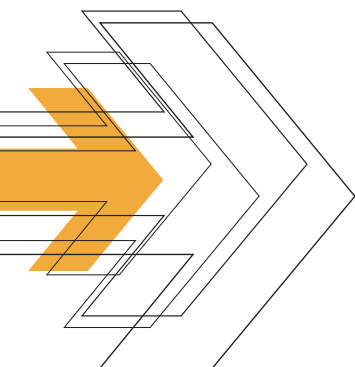


UNLEASHING  
THE  
MAGIC OF  
TALENT  
ISSUE

# STARVING FOR ACTION

||||| Even the most efficient business models cannot overcome a global workforce facing starvation.

BY KATERIN LE FOLCALVEZ



In the 2022 edition of its annual report on the state of food security and nutrition in the world, the United Nation's Food and Agriculture Organization (FAO) estimates that 811 million people worldwide suffer from hunger.

Additionally, the FAO says, 2.4 billion people—or about 30% of the world's population—are moderately or severely food-insecure, which the U.S. Department of Agriculture defines as, “a lack of consistent access to enough food for every person in a household to live an active, healthy life.” Rather startlingly, the number increased by nearly 320 million people over the previous year alone.

The report also notes that progress to reduce hunger and malnutrition have been slow in many parts of the world and has worsened significantly following recent global events such as the Russian invasion of Ukraine and the COVID-19 pandemic, which have disrupted food systems and worsened existing supply-chain vulnerabilities worldwide.

According to the U.N., “Despite hopes that the world would emerge from the COVID-19 pandemic in 2021 and food security would begin to improve, world hunger rose further in 2021,” says the agency's report. “The increase in global hunger in 2021 reflects exacerbated inequalities across and within countries due to an unequal pattern of economic recovery among countries and unrecovered income losses among those most affected by the COVID-19 pandemic.”

Eradicating global hunger is a foundational component to the U.N.'s Sustainable Development Agenda—the agency's 15-year plan to end poverty, protect the planet, and improve the lives and prospects of everyone, everywhere by 2030—which was adopted by all U.N. Member States in 2015.

Yet, at the current pace, the U.N. now projects that nearly 700 million people will still be facing hunger in 2030—or 8% percent of the world's population—which is the same as when the agenda was initially launched eight years ago.

For perspective, consider that the total global workforce is estimated to be around 3.5 billion people, yet roughly one in ten do not

have enough food to eat on a regular basis. Hunger alone regularly leads to increased absenteeism and reduced productivity in the workplace, as hungry workers may be too weak or sick to work, or may need to take time off to care for sick family members. Even the most efficient business models cannot overcome a workforce dying of starvation.

In short, food insecurity is not a problem limited to the agriculture industry. If your enterprise employs human beings, then the problem is at your doorstep too.

### **Trimming the Fat**

Although food insecurity is a serious challenge facing our planet, global business leaders have the power and capacity to catalyze great changes while also enhancing their business models by eliminating waste from their supply chains and manufacturing processes.

“I grew up on a farm and know what it's like to be hungry and undernourished,” says Dr. Shenggen Fan, former director general of the International Food Policy Research Institute (IFPRI) from 2009 to 2019. “Reducing food loss and waste is a critical step toward this.”

As a leading expert on food security who has published extensively on issues related to agriculture, nutrition, and poverty reduction, Dr. Fan believes that by reducing food waste, businesses can help increase the availability of food for those in need. Yet, before any food waste reduction strategies can be implemented, a company must know the scale of waste they generate.

According to the Harvard University Office of Sustainability, businesses should consider conducting a waste audit in order to ‘create a baseline reference of your progress from one waste audit to the next.’

Although collecting and sorting food waste may not be rocket science, data does play a key role to identify areas where waste can be reduced or eliminated. By analyzing trends of the types of food waste generated and determining which categories make up the largest percentage of your business' waste, companies can begin to develop a waste

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reduction plan based on the data collected, rooting out areas where it's most needed.

For instance, ReFED, a U.S.-based nonprofit dedicated to ending food loss and waste across the U.S. food system by advancing data-driven solutions, is working to achieve 50% food waste reduction in accordance with the U.N.'s 2030 Sustainable Development Goals. One of the biggest offenders—and perhaps most appealing from a potential cost-saving perspective—is eliminating unneeded food packaging.

“Packaging plays an important role in protecting food until it reaches the consumer, but at the same time, packaging can make it difficult to access content (like condiments), become damaged or fail in ways that cause food to spoil, or lead someone to buy more than they need – all of which can lead to food waste,” according to a ReFED article entitled *How to Design Packaging to Prevent Food Waste*. ReFED also notes that packaging materials themselves often become waste, contributing up to 28% of what ends up in landfills.

Additionally, a ReFED analysis indicates that, “improving package design could divert more than 1 million tons of food waste and avoid 6 million metric tons of greenhouse gas emissions every year, [and] solutions in this area would also have a net financial benefit of \$4.13 billion.”

Despite such potential cost savings, says the non-profit, many manufacturers and retailers have, “struggled to understand exactly how to pursue these changes.”

However, companies such as Bonduelle Fresh Americas—a wholly-owned subsidiary of Bonduelle (BON.PA) and home of the Ready Pac Bistro brand—have found success by partnering with other like-minded enterprises.

In 2020, Bonduelle Fresh Americas joined Walmart in the groundbreaking “10x20x30” initiative to root out food loss and waste from their supply chain. Led by Walmart, several of the world's biggest food retailers and providers have committed to engage at least 20 suppliers in a “whole supply chain” approach to cutting food loss and waste in half by 2030.

“Bonduelle is a seventh-generation family-owned business, and sustainability has been one of our core tenets long before it was in fashion,” says Andrea Montagna, CEO of Bonduelle Fresh Americas.

“All our products are farmed from vegetable plants, and we do see the effect of climate change,” he says. “In some cases, we've seen reductions in crop yields, and environmental impacts are driving us further and further toward sustainability. Our actions continue to focus on making a positive impact on people, the planet, and food, with programs driving inclusive hiring, environmentally friendly manufacturing processes, water and waste management, plastic reduction and so on.”

The company has committed to a 50% reduction target in its own operations, to measure and publish its food loss and waste inventories, and to create actionable strategies to reduce this waste. This includes reducing the amount of food waste created in their facilities, increasing product donations to communities in need and providing food for animal feed.

For companies seeking to follow suit, the Sustainable Packaging Coalition (SPC)—a membership-based nonprofit that brings together businesses, educational institutions, and government agencies to advance the business case for more sustainable packaging—recently published a guide entitled *Best Practices for Designing Packaging to Prevent and Reduce Food Waste*.



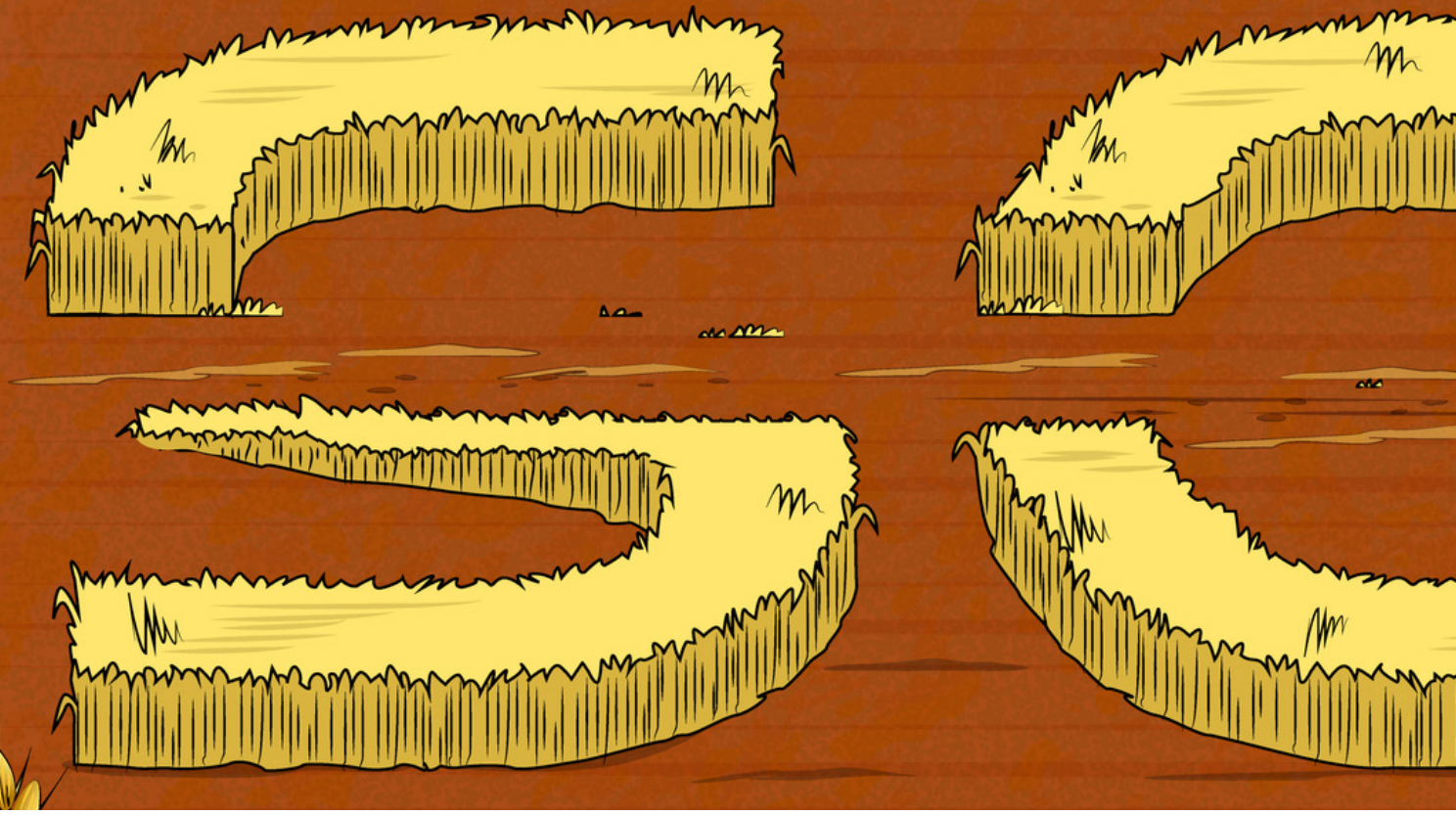
### Progress Report: An alarming update on the U.N.'s 2030 development goals.

In July 2022, the U.N. issued a global progress report regarding their ‘2030 Agenda for Sustainable Development’, using the latest available data and estimates. The report “tracks global and regional progress, with in-depth analyses of selected indicators for each goal.”

According to the report, “Cascading and interlinked crises are putting the 2030 Agenda for Sustainable Development in grave danger, along with humanity's very own survival.”

The report highlights the severity and magnitude of a “confluence of crises”, dominated by COVID-19, climate change, and armed conflicts, which are creating spin-off impacts on food and nutrition, health, education, the environment, and peace and security, and affecting all the Sustainable Development Goals (SDGs).

The report indicates urgent action is needed to rescue the SDGs and deliver meaningful progress for people and the planet by 2030.



### Deadly Disruptions

Progress to reduce hunger and malnutrition have been slow in many parts of the world and has worsened significantly following recent global events such as the Russian invasion of Ukraine, which disrupted critical food systems and worsened existing supply-chain vulnerabilities worldwide.

With members that include Kroger, Procter & Gamble, and Blue Apron, Inc., the SPC guide presents specific design strategies, such as resealability, new portion and pack sizes, plus active and intelligent packaging.

“These may seem basic, but they require [companies] to think beyond merely getting the product to a consumer, and instead embrace the growing movement among businesses toward taking responsibility for consumers’ climate impacts from downstream food waste,” says an assessment by ReFED.

Furthermore, the SPC guide also points out areas where companies may need to navigate tradeoffs between packaging sustainability and food waste.

“On average, only 3-3.5% of the climate impact of packaged food comes from the packaging itself—the rest comes from producing, transporting, storing, preparing, and potentially disposing of the food,” notes ReFed’s assessment. “This proportion can be significantly higher for certain kinds of foods and formats, but ultimately, packaging ‘pays off’ if it helps to reduce waste of the food it contains by at least 4%. This means that even when packaging creates climate impact, companies should prioritize strategies that reduce food waste.”

### Corporate Social Responsibility

While many of these tactics can help close the food insecurity gap, it is critical that such initiatives are managed by a group of highly engaged, dedicated leaders within an enterprise. This is

perhaps one reason corporate social responsibility (CSR) teams have become increasingly commonplace within Fortune 500 companies.

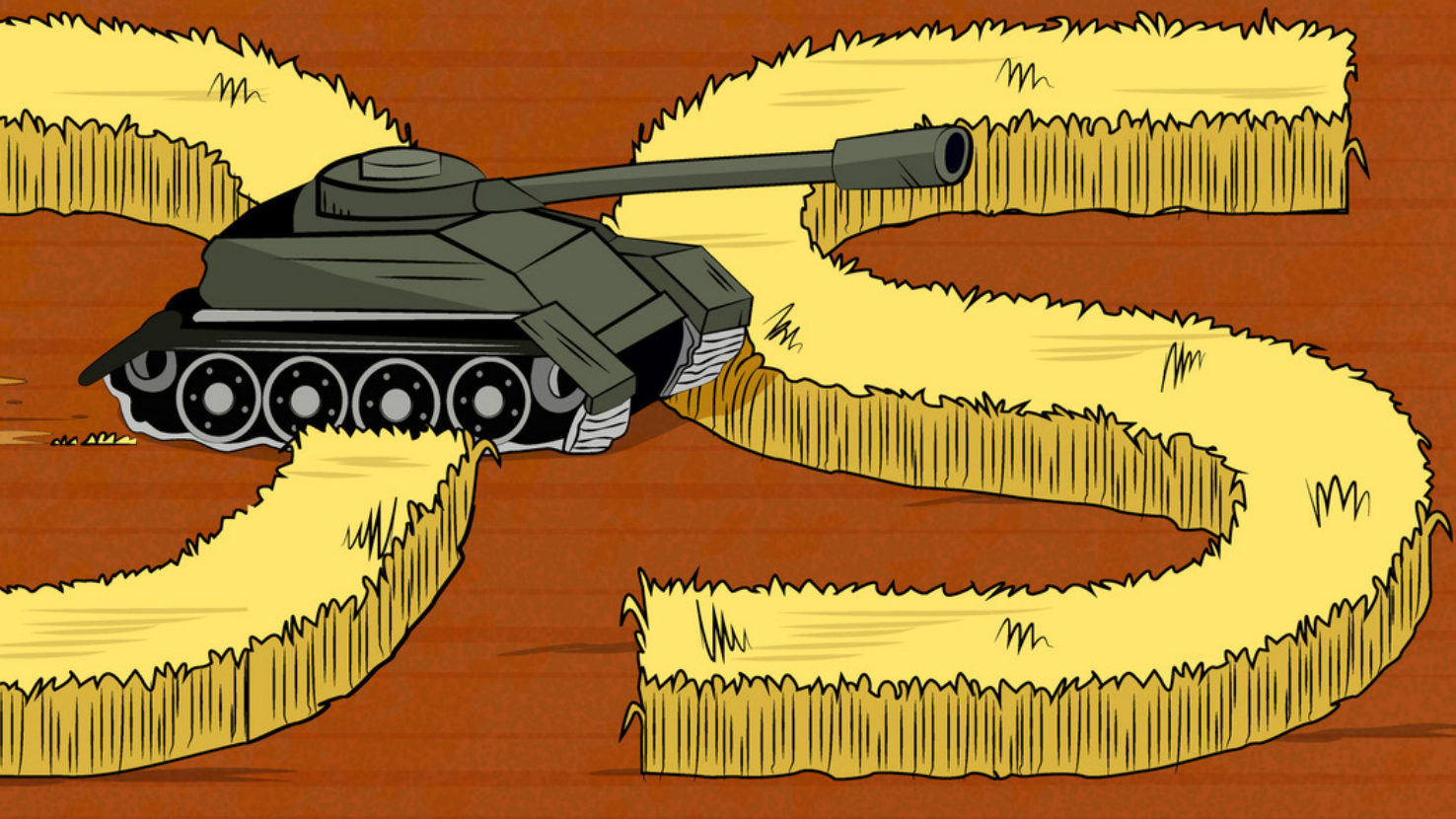
According to a study by the Governance & Accountability Institute, “Over 90% of Fortune 500 companies published sustainability reports in 2019, up from just 20% in 2011. These sustainability reports often include information on the company’s CSR programs, such as environmental initiatives, social impact efforts, and governance practices.”

Naturally, the question arises: If so many companies are already deploying heavily-resourced teams to address key issues, then why is such little progress being made in key areas such as food insecurity?

The problem, according to Corporate Citizenship—a London-based management firm focused on sustainable business practices—is that many CSR programs fail for a variety of reasons, including lack of commitment, insufficient resources, and unrealistic goals.

Without leadership support, says Corporate Citizenship, “CSR initiatives may not receive the resources, funding, and attention necessary to succeed. Additionally, many CSR initiatives require resources such as time, money, and expertise. If these resources are not available or are spread too thin, the initiatives may not achieve their intended impact.”

Lastly, poor implementation, ineffective communication, inadequate training, and a lack of stakeholder engagement can all hamstring an organization’s ability to catalyze results.



According to *Harvard Business Review's* assessment in *Five Ways to Improve Your Company's CSR Efforts*, leaders can improve the effectiveness of a CSR team by setting clear goals and metrics that measure progress and demonstrate impact—which can focus a team on areas that are most important to the business and its stakeholders.

Additionally, the assessment recommends aligning business objectives to ensure activities are integrated into the company's core operations and are supported by leadership. By engaging stakeholders, such as employees, customers, suppliers, and community members to identify key issues and priorities, leaders can create a sense of shared ownership and responsibility.

Business for Social Responsibility (BSR)—a global nonprofit organization that works with more than 250 member companies—says that if a CSR team is focused on solving food insecurity within their local community, there are several tactics to increase their effectiveness.

According to BSR, companies can raise awareness of food insecurity through campaigns and educational initiatives. One notable example is the “Stamp Out Hunger” food drive organized by the National Association of Letter Carriers (NALC) in partnership with Feeding America, the largest hunger-relief organization in the United States. Running since 1992, “Stamp Out Hunger” has collected over 1.5 billion pounds of food to date. The event has been supported by a number of corporate partners over the

years, including Campbell's and Coca-Cola. Furthermore, says *Forbes*, these events and initiatives can pay dividends.

“A recent report from Aflac said that 77% of consumers are more willing to purchase from a company with a corporate social responsibility pledge—and 73% of investors agreed,” notes *Forbes* in a piece entitled *How Leading Global Companies Are Using Sustainability as a Market Differentiator*.

This carryover effect is not lost on business leaders either. According to one study, “9 in 10 business leaders said consumers would hold them accountable for the environmental impact they make through their business — an even greater ratio than shareholders, employees, or government regulators.”

### Securing the Future

It is difficult to predict with certainty if or when our global food infrastructure will ‘collapse’, however, the number of people experiencing hunger and malnutrition has been steadily increasing in recent years, with the COVID-19 pandemic exacerbating the situation.

To address food insecurity, it will require concerted efforts from governments, civil society, and the private sector to develop sustainable and equitable food systems that prioritize access to healthy, nutritious foods for all. The goal should not be to wait for food insecurity to collapse, but rather to work towards a future where all people have access to adequate and nutritious food. **IQ**

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