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THE FOOD CHAIN
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Some Carbon With Your Kiwi?

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CORRECTION APPENDED

An article on Saturday about the rising environmental costs of shipping food globally misspelled the surname of the head of Bellona, a Norwegian environmental group, who commented on pollution from transport. He is Frederic Hauge, not Hague.

CORRECTED BY THE NEW YORK TIMES Wed Apr 30 2008

Cod caught off Norway is shipped to China to be turned into filets, then shipped back to Norway for sale. Argentine lemons fill supermarket shelves on the Citrus Coast of Spain, as local lemons rot on the ground. Half of Europe's peas are grown and packaged in Kenya.

In the United States, FreshDirect proclaims kiwi season has expanded to "All year!" now that Italy has become the world's leading supplier of New Zealand's national fruit, taking over in the Southern Hemisphere's winter.

Food has moved around the world since Europeans brought tea from China, but never at the speed or in the amounts it has over the last few years. Consumers in not only the richest nations but, increasingly, the developing world expect food whenever they crave it, with no concession to season or geography.

Increasingly efficient global transport networks make it practical to bring food before it spoils from distant places where labor costs are lower. And the penetration of mega-markets in nations from China to Mexico with supply and distribution chains that gird the globe -- like Wal-Mart, Carrefour and Tesco -- has accelerated the trend.

But the movable feast comes at a cost: pollution -- especially carbon dioxide, the main global warming gas -- from transporting the food.

Under longstanding trade agreements, fuel for international freight carried by sea and air is not taxed. Now, many economists, environmental advocates and politicians say it is time to make shippers and shoppers pay for the pollution, through taxes or other measures.

"We're shifting goods around the world in a way that looks really bizarre," said Paul Watkiss, an Oxford University economist who wrote a recent European Union report on food imports.

He noted that Britain, for example, imports -- and exports -- 15,000 tons of waffles a year, and similarly exchanges 20 tons of bottled water with Australia. More important, Mr. Watkiss said, "we are not paying the environmental cost of all that travel."

Europe is poised to change that. This year the European Commission in Brussels announced that all freight-carrying flights into and out of the European Union would be included in the trading bloc's emissions-trading program by 2012, meaning permits will have to be purchased for the pollution they generate.

The commission is negotiating with the global shipping organization, the International Maritime Organization, over various alternatives to reduce greenhouse gases. If there is no solution by year's end, sea freight will

also be included in Europe's emissions-trading program, said Barbara Helferrich, a spokeswoman for the European Commission's Environment Directorate. "We're really ready to have everyone reduce -- or pay in some way," she said.

The European Union, the world's leading food importer, has increased imports 20 percent in the last five years. The value of fresh fruit and vegetables imported by the United States, in second place, nearly doubled from 2000 to 2006.

Under a little-known international treaty called the Convention on International Civil Aviation, signed in Chicago in 1944 to help the fledgling airline industry, fuel for international travel and transport of goods, including food, is exempt from taxes, unlike trucks, cars and buses. There is also no tax on fuel used by ocean freighters.

Proponents say ending these breaks could help ensure that producers and consumers pay the environmental cost of increasingly well-traveled food.

The food and transport industries say the issue is more complicated. The debate has put some **companies** on the defensive, including Tesco, Britain's largest supermarket chain, known as a vocal promoter of green initiatives.

Some of those **companies** say that they are working to limit greenhouse gases produced by their businesses but that the question is how to do it. They oppose **regulation** and new taxes and, partly in an effort to head them off, are advocating consumer education instead.

Tesco, for instance, is introducing a labeling system that will let consumers assess a product's **carbon footprint**.

Some foods that travel long distances may actually have an environmental advantage over local products, like flowers grown in the tropics instead of in energy-hungry European greenhouses.

"This may be as radical for environmental consuming as putting a calorie count on the side of packages to help people who want to lose weight," a spokesman for Tesco, Trevor Datson, said.

Better transportation networks have sharply reduced the time required to ship food abroad. For instance, improved roads in Africa have helped cut the time it takes for goods to go from farms on that continent to stores in Europe to 4 days, compared with 10 days not too many years ago.

And with far cheaper labor costs in African nations, Morocco and Egypt have displaced Spain in just a few seasons as important suppliers of tomatoes and salad greens to central Europe.

"If there's an opportunity for cheaper production in terms of logistics or supply it will be taken," said Ed Moorehouse, a consultant to the food industry in London, adding that some of these shifts also create valuable jobs in the developing world.

The economics are compelling. For example, Norwegian cod costs a manufacturer \$1.36 a pound to process in Europe, but only 23 cents a pound in Asia.

The ability to transport food cheaply has given rise to new and booming businesses.

"In the past few years there have been new plantations all over the center of Italy," said Antonio Baglioni, export manager of Apofruit, one of Italy's largest kiwi exporters.

Kiwis from Sanifrutta, another Italian exporter, travel by sea in refrigerated containers: 18 days to the United States, 28 to South Africa and more than a month to reach New Zealand.

Some studies have calculated that as little as 3 percent of emissions from the food sector are caused by transportation. But Mr. Watkiss, the Oxford economist, said the percentage was growing rapidly. Moreover, imported foods generate more emissions than generally acknowledged because they require layers of packaging and, in the case of perishable food, refrigeration.

Britain, with its short growing season and powerful supermarket chains, imports 95 percent of its fruit and more than half of its vegetables. Food accounts for 25 percent of truck shipments in Britain, according to the British environmental agency, DEFRA.

Mr. Datson of Tesco acknowledged that there were environmental consequences to the increased distances food travels, but he said his company was merely responding to consumer appetites. "The offer and range

has been growing because our customers want things like snap peas year round," Mr. Datson said. "We don't see our job as consumer choice editing."

Global supermarket chains like Tesco and Carrefour, spreading throughout Eastern Europe and Asia, cater to a market for convenience foods, like washed lettuce and cut vegetables. They also help expand the reach of global brands.

Pringles potato chips, for example, are now sold in more than 180 countries, though they are manufactured in only a handful of places, said Kay Puryear, a spokeswoman for Procter & Gamble, which makes Pringles.

Proponents of taxing transportation fuel say it would end such distortions by changing the economic calculus.

"Food is traveling because transport has become so cheap in a world of globalization," said Frederic Hague, head of Norway's environmental group Bellona. "If it was just a matter of processing fish cheaper in China, I'd be happy with it traveling there. The problem is pollution."

The European Union has led the world in proposals to incorporate environmental costs into the price consumers pay for food.

Switzerland, which does not belong to the E.U., already taxes trucks that cross its borders.

In addition to bringing airlines under its emission-trading program, Brussels is also considering a freight charge specifically tied to the environmental toll from food shipping to shift the current calculus that "transporting freight is cheaper than producing goods locally," the commission said.

The problem is measuring the emissions. The fact that food travels farther does not necessarily mean more energy is used. Some studies have shown that shipping fresh apples, onions and lamb from New Zealand might produce lower emissions than producing the goods in Europe, where -- for example -- storing apples for months would require refrigeration.

But those studies were done in New Zealand, and the food travel debate is inevitably intertwined with economic interests.

Last month, Tony Burke, the Australian minister for agriculture, fisheries and forestry, said that carbon footprinting and labeling food miles -- the distance food has traveled -- was "nothing more than protectionism."

Shippers have vigorously fought the idea of levying a transportation fuel tax, noting that if some countries repealed those provisions of the Chicago Convention, it would wreak havoc with global trade, creating an uneven patchwork of fuel taxes.

It would also give countries that kept the exemption a huge trade advantage.

Some European retailers hope voluntary green measures like Tesco's labeling -- set to begin later this year -- will slow the momentum for new taxes and regulations.

The company will begin testing the labeling system, starting with products like orange juice and laundry detergent.

Customers may be surprised by what they discover.

Box Fresh Organics, a popular British brand, advertises that 85 percent of its vegetables come from the British Midlands. But in winter, in its standard basket, only the potatoes and carrots are from Britain. The grapes are South African, the fennel is from Spain and the squash is Italian.

Today's retailers could not survive if they failed to offer such variety, Mr. Moorehouse, the British food consultant, said.

"Unfortunately," he said, "we've educated our customers to expect cheap food, that they can go to the market to get whatever they want, whenever they want it. All year. 24/7."

PHOTOS: Kiwis grown in Italy are examined -- and damaged fruit is discarded-- before being shipped.(PHOTOGRAPH BY MASSIMO SCIACCA FOR THE NEW YORK TIMES)(pg. C1); The Sanifrutta company in Italy ships kiwis from its plant in Costigliore Saluzzo, traveling by sea in refrigerated

containers.(PHOTOGRAPH BY MASSIMO SCIACCA FOR THE NEW YORK TIMES)(pg. C4)

CHART: The Hidden Cost of Food: Transportation is a major contributor to a product's total carbon emissions, or **carbon footprint**. But not all miles are created equal air freight releases more emissions by cargo weight than trucks, which release more than ships. And miles may be just a part of the picture. Here's one example of a hypothetical **carbon footprint** calculation for red wines sold in New York City.(Sources: Pablo Paster, ClimateCheck; Tyler Colman, drvino.com)(pg. C4) Chart details various stages of shipping.; DRAWING (DRAWING BY JENNIFER DANIEL FOR THE NEW YORK TIMES)(pg. C4)

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