Food Data Transparency Partnership Eco working group minutes

 Date
 2 April 2025

 Time
 1.30-4.30pm

Venue Caxton House/Microsoft Teams

Attendance

Co-Chairs: Judith Batchelar, Food sector expert; and Karen Lepper, Deputy Director for Food Data, Standards and Sustainability

Nineteen Eco working group members

Defra officials, DAERA officials, Welsh Government officials.

The Eco working group is a stakeholder engagement group that provides input on policy development as part of an open policy design process. These discussions do not reflect agreed government policy.

1. Welcome and introductions:

- Judith Batchelar (JB) welcomed members to the meeting and recapped Chatham House rules.
- JB set out the agenda, including:
 - Presentation on LED 4 Food's progress towards developing a product level methodology.
 - Presentations from WRAP and EIT Food on Data Quality Assessments, followed by discussion.
 - Breakout group and collective discussion around the FDTP's communication strategy.

2. Defra updates:

a) General update from Karen Lepper:

Karen Lepper (KL) gave updates from across Defra:

- As outlined in a recent <u>press release</u>, the **Food Strategy** is progressing in several areas:
 - A new Ministerial Food Strategy Group, chaired by Defra's SoS, has been created and has had its first meeting.
 - The Food Strategy Advisory Board also had its first meeting it will bring together senior leaders from across the food system to advise on a clear vision and framework for change.

• British Standards Institute have released new nature market standards on behalf of Government. They set out key principles for UK nature markets and include rules for transparency, robust measurement, verification and validation, and governance.

b) FDTP updates:

A Defra official gave an update on recent and upcoming FDTP progress. This included:

- We have had positive discussion with Minister Zeichner on next steps for standardising the calculation of **farm GHG emissions**, and hope to finalise a position soon, testing with key stakeholders.
- The Food data Infrastructure and Governance (FIG) research will go to tender soon, in the new financial year.
- Government is due to launch a consultation Voluntary carbon and nature markets –
 we will share with members when released. Post-meeting: this consultation was
 launched on 17 April.

3. Product level methodology:

A member from WRAP and a Defra Official updated on developments with LED4Food Work Package 4. This is key to delivering on FDTP priority area 1.3 to deliver a standardised product-level accounting method.

- WRAP's recommended methodology for the calculation of product level greenhouse gas impacts is expected to be published in June this year, a first step towards standardisation. This will be followed by a multi-metric approach next year.
- A standardised methodology will improve confidence in LCA calculations, level the playing field for data service providers, and encourage fairness in product comparisons across sectors.
- The intention is to encourage voluntary industry testing of the methodology to inform refinement, leading to a future policy on a standardised methodology. Governance of such a standard will be considered as part of the Food Infrastructure and Governance (FIG) research being commissioned by Defra this year.
- The methodology will be presented to an international audience at an OECD hosted webinar on 22nd May. Further discussions on international alignment will follow.
- LED 4 Food Work Package 4 will now go on to produce multi-metric recommendations. This will feed into any potential future eco-labelling policy development, which may resume in 2027 pending engagement with ministers and stakeholders.

Discussion/questions:

- Members asked if there would be a mandated standard to follow.
 - A Defra official responded that the next step is to test the recommended methodology over the next year to gather feedback. Different routes to standardisation will be considered during this period, including consideration of international standardisation. There are no immediate plans to mandate this standard.
- Several members said they would reach out offline to discuss industry testing.

4. Data Quality Rating assessments:

a) WRAP / EIT Food presentation:

 Data Quality Rating (DQR) assessments are important for understanding the strengths and limitations of data. They help to prioritise data sources, areas for improved data collection and are useful for determining how to communicate data.

- Want to discuss some broad options with the group and have volunteers to help the LED 4 Food develop proposals.
- Currently several challenges with existing data ratings:
 - Various interpretations of data quality classification thresholds.
 - Lots of subjectivity.
 - o Uncertainty around whether to score activity data, emission factors, or both.
 - DQR doesn't easily "travel" with the data.
- WRAP have been reviewing existing DQR approaches for the last few months. This has included surveys to some data providers and food businesses.
- Two broad approaches to assessing data quality first from GHG Protocol another from EIT Food.
- WRAP and EIT Food summarised these two approaches. This included:
 - GHG Protocol is very high level and has room for interpretation.
 Organisations (including WRAP) therefore try to narrow down, but this means businesses are using different interpretations to each other.
 - EIT Food's approach includes contribution analysis so that only the top 80% of contributing processes are included in the score.
 - EIT Food are currently revising their DQR approach. Will simplify it and make it more quantitative. Will increase alignment with EU Commission.

b) Common issue 1 – activity and emissions data (intrinsic & relative data quality):

- **The challenge**: Any given emission estimate has two components, 1) the activity data, and 2) the emission factor/similar both can be more or less representative of the actual emissions produced. Separately is the question of how well the two match.
- Each component has its own challenges for accessing data quality.
- The need to assess the two separately isn't explicit in GHG Protocol, but lots of businesses are doing separate assessments. From business questionnaires:
 - Activity data generally assessed through qualitative / soft approaches. Lack full visibility of the source data.
 - Emission factors generally assessed using scoring frameworks.
- WRAP proposed three options to approach this issue:
 - 1. Do nothing leave the guidance as it is and let businesses assess either activity data and emission factor data quality together or separately, using whatever method works best for them. Most are 'doing the right thing' already.
 - 2. Use the same GHG Protocol headings, but develop clearer guidance e.g., be explicit on assessing each data source separately, guidance on assessing activity data, suggest a method for aggregating the DQRs.
 - 3. Adopt a new set of guidance, which has a set approach to intrinsic and relative data quality e.g., the European Commission / EIT Food approach, which assesses activity data and emission factors separately without aggregation.
- The latter two options offer an opportunity to improve how data quality is communicated by anyone that provides secondary data. E.g. DESNZ emission factor

 – really detailed methodology document, but no scores anyway so users need to
 make own judgement about adequate sample size.

Discussion/questions:

- Members discussed how important a more prescriptive DQR approach would be for driving change in the agri-food system, with some arguing it should be a lower priority for now
 - One member suggested there should be a cost-benefit analysis to see how much it is currently helping businesses.
 - Another member said their organisation only used data quality scores as a rough indication and a means to focus further data collection – better to maintain simplicity and accept limitations.
 - Another member said that two different data values for the same product could have the same data score but still have been calculated in very different ways.
- However, several members highlighted why improving DQR guidance would be helpful:
 - Save time for businesses and be particularly helpful for those without specialists because businesses currently spend significant time to create their own approach.
 - Help specialists with communicating data to their senior leadership.
 - Stimulates and motivates innovation have witnessed increased supply chain collaboration to improve DQR.
 - Without DQR, businesses fear others will use lower data quality in order to get "better" numbers.
 - Improve bank's confidence in the data of the food businesses they work with / provide finance to when deciding to publish reports / take actions.
- One member said that the GHG Protocol's approach had qualitative elements, which cause some issues can become too open to interpretation.
- Another member emphasised that the key was explainability and actionability of data.
 Might be useful to complete a cost-benefit analysis to see how much improving a DQR helps businesses.
- Another member said DQR has previously been tried for farm-level data, but that it
 wasn't always useful you often have a good idea of the data's completeness
 already. More helpful when taking data from other sources. Another member agreed,
 saying they were useful for combining secondary data or modelled data as part of
 wider inventory.

c) Common issue 2 – granularity vs materiality:

- The challenge: Data quality scoring is most accurately done at a granular level, i.e., for each process (flow), to identify areas for improvement and support consistency for Scope 3/corporate reporting. The more granular the assessment, the more arduous.
- In theory, using GHG protocol, DQR should be at each individual process (e.g. factory energy use, ingredient 1, etc). Separate pieces of puzzle that create a whole.
- However, businesses indicate they are actually doing this at a higher level, as they
 determine what is worth the time.
- WRAP proposed three options to approach this issue:
 - Do nothing let businesses decide how they want to interpret the guidance around DQR granularity, which might be based on resource restraints, lack of experience etc.
 - Use the same GHG Protocol guidance, but develop clearer guidance for example, make it clearer in the Scope 3 Protocols that a DQR for each individual

- process/flow is best practice, offer tips and guidance on how to do this efficiently, possibly future work on how this metadata transferred.
- 3. Adopt a new set of guidance, which has a different approach for example, the European Commission / EIT Food approaches, with expert judgement at a high level (each product in the database) or only assesses processes/flows accounting for >80% of product emissions.
- There is a separate question around metadata how can DQR information travel with numbers rather than be lost in pdfs etc? Is this important?

Discussion/questions:

- Several members argued that the most actionable metadata would be a level of uncertainty (for example -+5%) or variance range (for example 0.9-1.1) can use that to decide how to use the data.
- One member said some sectors will have significant variability, even week to week, so a DQR might not be appropriate.
- Another member said DQR was helpful for hotspots when dealing with huge datasets.
- Another member said that in their experience, the more incomplete the system boundary, the lower the estimated emissions are. Therefore, more important to improve data granularity than to develop more granular DQR.
- Another member argued it would be useful to have some simple metadata (for example, year, geography, sample size), but this would not necessarily require a DQR.

d) Common issue 3 – indicators across sectors:

- The challenge: Data quality scoring relies on indicators to assess the representativeness of the data. But what can realistically be achieved, and what matters most for overall representativeness, may vary per sector. This may impact weighting to a single score.
- E.g. Electricity emissions factors could be updated more regularly than some farm-level factors should the former always score better and expectations be adjusted, or should scores be relative to what is (currently) possible in each sector?
- Some businesses suggested sector-specific guidance would improve consistency.
- WRAP proposed three options to approach this issue:
 - Keep the indicator criteria the same but provide clear communications that some processes/sectors are expected to routinely score differently from other processes/sectors.
 - Indicators could be relative to what is achievable in each sector, e.g. what is 'good' temporal representativeness in primary production is not the same as what is 'good' in the supply chain. Note that what is feasible will change over time so thresholds would need to be adjusted periodically, potentially making existing DQR inapplicable.
 - 3. Keep criteria the same, but **aggregating** the multiple 'representativeness' indicators into a **single score could vary based on the sector / process** in question, e.g. for fuel-based transport, technological representativeness as the key factor.

Discussion/questions:

 Several members argued that these indicators should start simple and refine over time.

- Another member said that data quality should be based on fact as much as possible, which would mean having sector-specific approaches.
- Members also again suggested the use of variance range instead of a single "score", as this could be more understandable.
- WRAP asked members for volunteers to support this work more closely. This
 includes to look at how to get an uncertainty / variance level, particularly for widespread use.
- Some members said they would be able to help, including to support some market test bedding.

5. Communication strategy:

JB and a Defra official introduced the session:

- The FDTP team are currently developing a communication strategy to share with stakeholders our progress and upcoming deliverables (for example, LED 4 Food Research outputs) as well as longer term next steps.
- The team are seeking the group's insights for developing this communication strategy.
- A smaller sub-group will continue this discussion at a later date members should let the FDTP team know if they are interested in joining.

In three small groups, members discussed the following questions:

- 1. Who are the key communities we need to communicate with?
- 2. What are key messages for these communities?
 - a. What do they want to know?
 - b. What do we need them to know?
 - c. How do we want them to feel?
 - d. What do we want them to do (or not do) now vs later?
- 3. How can we best reach each community with this messaging?
 - a. What are the best channels?
 - b. Who are the best messengers?
- 4. Who should communications be from for example Defra/FDTP/delivery bodies?

A broad range of stakeholders that are directly and indirectly working on or affected by sustainability data in the agri-food sector were discussed. It was agreed that different approaches would be required for different stakeholders.

Members also agreed that some communications would need to be delivered directly by Defra and the FDTP, whereas other messages would be best communicated by sub-sector groups. Several practical approaches were discussed.

The FDTP team will continue to work on communication plan with the help of a smaller subgroup and will keep the Eco working group updated of the plan.

6. Summary/close:

- JB summarised the meeting's discussion.
- JB reminded the group of the agreed actions:

- Please contact WRAP if you or your organisation can help test WRAP's draft protocol and product level methodology.
- The FDTP team will provide a summary of the communication discussion for further comment and feedback. Please contact the FDTP team if you would like to volunteer to help develop FDTP communication strategy further in a new sub-group.
- The next working group meeting is 17 June. Agenda details will be shared ahead of the meeting.