

THE RETAIL CART AND THE PLANET

Retail can play an important role in minimizing not just the direct impact of stores, but also impacts arising from the vast production, manufacture and transportation infrastructure that supports the industry

■ By Philip Tapsall

Eighth of August, observed as the Earth Overshoot Day, marked the day when humanity's annual demand on nature exceeded what our planet can regenerate this year. Our footprint has already exceeded the bio-capacity of the planet for 2016. This situation arises because we emit more carbon dioxide into the atmosphere than our oceans and forests can absorb, deplete fisheries and harvest forests more quickly than they can reproduce and regrow.

Earth Overshoot Day has been arriving earlier each year. It fell in October in 2000. By 2030, we will mark it in June if current trends continue. This is a symbolic day but one that speaks for an urgent need to radically reconfigure the workings of the economy which underpins our lifestyle.

ROLE OF RETAIL

As a resource-dependent business, one that draws on energy, water and natural reserves, the retail sector should reflect on the implications of Earth Overshoot Day. There is a fundamental link between everyday products and planetary resources. Over time, resource scarcity can lead to real business risks: increasing costs, disruption in supply and potentially reputational and regulatory risks.

In this context, natural resource management and footprint reduction emerge as key business strategies — not just in relation to emissions linked to direct operations, but also the carbon, water and agricultural



footprint of resource-dependent products that appear on shelves. Transportation of goods is another significant source of carbon emissions linked to retailing.

Critical to managing this scenario is for retailers to look beyond their shop fronts and into their supply chains. Understanding the carbon, water and natural resource footprint embedded within the core of their business is a significant first step. Procurement policies which support better production and responsible procurement can ensure that the journey of a product, from its manufacture to the point of sale, is traceable to responsibly managed and verified sources, with reduced negative environmental and social impacts.

BIG RETAILERS, BIG STEPS

Wal-mart: The retail company integrated the concept of sustainability into its strategy in 2005. Its sustainability goals were to be supplied 100% renewable energy, to create zero waste and to sell sustainable products. Its suppliers are also encouraged to produce sustainable products, by having to go through Wal-mart's self-developed sustainability index.

IKEA: IKEA has been trialing strategies around



As an intermediary between manufacturers and consumers, retailers are uniquely placed to mainstream sustainability and manage footprint at the same time. They can influence consumer behaviour through in-store education and direct marketing. Their close relationship with suppliers also means that retailers' purchasing power can be harnessed to move supply chains to more resource-efficient practices. And perhaps start to push back the date of Earth Overshoot Day. 😊



Philip Tapsall is Director - Sustainable Business at WWF-India, leading the organisation's engagement with companies on a range of sustainability themes. He has 15 years commercial experience including eight years working with companies on sustainability projects in the Asia-Pacific and Europe. His current work in India focuses on working constructively with business to find mutually beneficial solutions to address the environmental and social impacts of major agricultural commodities on ecologically vital areas. He holds a Bachelors of Commerce and Government & International Relations (Hons) degree from the University of Sydney and Masters of Civil and Environmental Engineering from the University of New South Wales.