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## Why animals are celebrating the boom in meat alternatives!



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Editor



## The rise of veganism

In this Issue we are kicking off with a re-visit to our popular guide to meat-free burgers and sausages. With the now widely-reported rise in veganism, new innovations and products in this area are giving a wider choice than ever, and an up-to-date sense-check of the latest manufacturers is important. Perhaps also, it is a phenomenon that offers a glimmer of hope in these otherwise troubled political times.

Our own survey, published in the 2018 Ethical Consumer Markets Report, found that 11% of people in the UK claimed to be vegetarian and 3% vegan – an increase of 52% and 153% respectively since 2016. An earlier survey in 2018 by [comparethemarket.com](http://comparethemarket.com) claimed that the number of UK vegans was 7% of the population.

### A global trend

Although we should be wary of putting too much weight on consumer survey data, these kinds of results are being repeated across the world. For example, one US survey has claimed that consumers identifying as vegan grew from 1% to 6% between 2014 and 2017, a 600% increase. These kinds of figures are reproduced in other European countries like Sweden, Germany and Portugal.

More significant perhaps are revelations of similar changes in Asia. China's health ministry has set a target for a 50% reduction in meat consumption by 2030. In Hong Kong, 22% of the population reports practising some form of a plant-based diet. And India has had the highest number of vegetarians of any country for many years, with around 30% consistently showing up in survey data.

Finally, a 2018 report by GlobalData suggested that as much as 70% of the world's population is said to be either reducing meat consumption or ditching it all together. These reports are also identifying that most of those claiming to be vegan are from younger age groups.

### No single cause

Complex social changes like this, particularly on a global scale, are rarely caused by one thing, but this phenomenon does appear to have a very large number of factors. When the surveys ask us why we are choosing vegan foods we, perhaps predictably, say health, environment and animal welfare.

However, mainstream commentators trying to understand the rise of veganism bring lots of alternative suggestions to the table.

These include:

- polemical films like *Cowspiracy*
- celebrity vegans on Instagram
- success of vegan sports people
- YouTube channels and trendy events

### The importance of the supply side

One of the insights which Ethical Consumer can bring to this is just how important the emergence of new and better vegan products is. Across many ethical markets, we can see that the biggest growths in ethical buying occur because high-quality, reasonably-priced, widely-distributed ethical products become available. This tells us that people generally have wanted to make ethical choices for years but have found it difficult to do so.

New product ranges tend to begin with young innovators. The Guardian, for example, last year noticed vegan microbusinesses selling “African superfoods, Glaswegian jerk pies, Turkish gözleme flatbreads, vegan cakes, curries, wraps, sushi, and pet food.” Mainstream companies are then forced to join in to keep up. Marks & Spencer, Tesco, Sainsbury's, Pret a Manger, Wagamama, Pizza Hut, Pizza Express and Zizzi are just some of the big players noted for increasing their vegan ranges. Ethical Consumer's own guides over the years have also tracked a huge rise in variety in product choices in areas like plant-based-milks. The conclusion: Make it easy, and make it taste great, and people will form a queue.

### A counter narrative

The rise of veganism is a global phenomenon at a time when borders are closing. And it's a compassionate phenomenon at a time when the language of hate speech is on the rise. I was only struck by how important this trend was as a counter-narrative when chatting to a vegan campaigner from Hungary. Victor Orban, their Prime Minister, is renowned for his far-right strongman image. Nevertheless, in Budapest, pessimism is tempered by the same rise in veganism we can see elsewhere, manifesting itself in an explosion of new vegan shops, cafes and small producers.

Ethical Consumer magazine will be 30 years old by the time the next magazine comes out, and we will be doing more lengthy taking stock then. Suffice to say, Ethical Consumer was born at the height of the Thatcherite era, when money and self-interest were the only real values in mainstream political debate. Both our own project, and the ethical markets we have been fighting for, are still growing.



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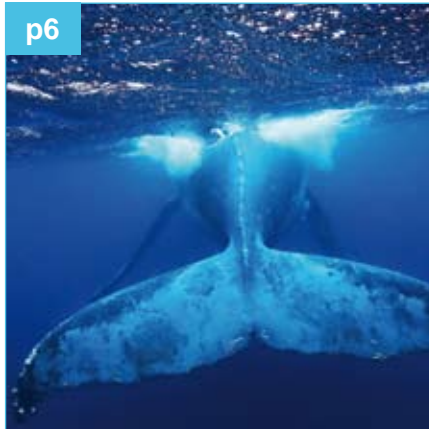
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## Destination Occupation

Amnesty have just published a report which focuses on digital tourism companies Airbnb, Booking.com, Expedia and TripAdvisor which list holiday accommodation, activities and attractions in illegal Israeli settlements in the Occupied Palestinian Territories. The report argues that in doing business with illegal Israeli settlements, these companies are contributing to, and profiting from, the maintenance, development and expansion of illegal settlements.

The report makes the point that by promoting settlements as tourist destinations, the companies are helping normalise, and legitimise to the public an illegal situation.

Amnesty are calling on Airbnb, Booking.com, Expedia and TripAdvisor to stop listing accommodation, activities and attractions in Israeli settlements, and to commit publicly to no longer provide these listings.

The report also makes a call on governments, based on their international legal obligations, to regulate the behaviour of companies domiciled or operating within their jurisdictions to ensure they do not engage in business in or with settlements.

TripAdvisor is the main focus of this campaign because of the company's relative importance to the tourism industry in Israeli settlements.

TripAdvisor is the most visited online tourism website by foreign visitors to Israel. It promotes more listings (at least 70) in more settlements (27) than any other digital tourism company - with the exception of Airbnb, which pledged in November 2018 to remove most of its listings

in settlements. Sign the petition to tell TripAdvisor to pull out of illegal Israeli settlements in occupied Palestine – <https://join.amnesty.org/page/36244/petition/1>

Download the full report 'Destination: Occupation: Digital tourism and Israel's illegal settlements in the Occupied Palestinian Territories' from [www.amnesty.org/en/documents/mde15/9490/2019/en](http://www.amnesty.org/en/documents/mde15/9490/2019/en)



## Dirty list of companies linked to Burmese military

Burma Campaign UK recently published its new 'Dirty List' of companies linked to the military in Burma, or companies whose operations are linked to human rights violations or environmental destruction.

A total of 49 companies are initially being added to the 'Dirty List' including the consumer-facing companies Visa, Tata (Tetley tea), Toshiba and Facebook.

The United Nations Fact Finding Mission on Myanmar has concluded that Burma's military leaders should be prosecuted for genocide, war crimes and crimes against humanity.

They stated: "The actions of the Tatmadaw in Kachin, Rakhine and Shan States, in particular in the context of the "clearance operations" in northern Rakhine State in 2016 and 2017, have so seriously violated international law that any engagement in any form with the Tatmadaw, its current leadership, and its businesses, is indefensible."

"Companies which supply equipment to the military, or do business with the military, are complicit in the human rights violations committed by them," said Mark Farmaner, Director of Burma Campaign UK. "We are not saying don't do business in Burma, we are saying don't do business with the military," said Mark Farmaner.

See the full list at <http://burmacampaign.org.uk>

## Kellogg's finally uses traffic light labelling on its cereals

Two years after promising to use traffic light nutrition labels on its UK cereals and after years of resistance, Kellogg's has finally capitulated. But only 80% of packs will carry the labels. Traffic light labelling will not be used on Kellogg's multilingual boxes shared across several European countries, where the system is not well-known, nor will it appear on single serve packs.

The EU scheme, introduced in 2013, indicates how much salt, sugar or fat foods contain. The scheme is voluntary but should be mandatory.

Which?'s strategic policy adviser Sue Davies said the organisation believed the traffic light nutrition system helped people to compare "at a glance" how much sugar, salt and fat a product contains and was "an effective way of helping them to make healthier food choices".

"While this is a very positive move from Kellogg's, it should apply to all the brand's products sold in the UK and Ireland, not just 80% of them.

"The government should now use Brexit as an opportunity to introduce legislation that makes traffic light labelling mandatory as part of an approach based on high food standards and aimed at boosting the nation's health and well-being," added Ms Davies.

Rival cereal maker Nestle introduced the "traffic light" scheme on its cereal brands including Shreddies and Cheerios in 2017. Weetabix has used it since 2016.

Check out breakfast cereals guide to see who else is using the labels and to find out which brands come out top of our ratings – [www.ethicalconsumer.org/food-drink/shopping-guide/cereal](http://www.ethicalconsumer.org/food-drink/shopping-guide/cereal).

## Activists create a 'Block Amazon' browser extension

A group of New York tech workers have created a browser plug-in that will automatically block Amazon-affiliated sites. The group, concerned for communities affected by

Amazon's Long Island HQ2, hope to help consumers boycott the tech giant. Once loaded, the extension will highlight and block any websites owned by the company. See [blockamazonfor.me](http://blockamazonfor.me)



## Stop commercial whaling

**On 26th December 2018, the Government of Japan announced its intention to restart commercial whaling, and leave the International Whaling Commission.**

The decision to start killing whales for profit in its waters is not only out of step with the rest of the world - it's a step backwards.

For over 30 years there has been a global moratorium on commercial whaling which has directly saved the lives of many thousands of whales, some of which were teetering on the brink of extinction when the ban started in the 1980s.



Despite this, the Government of Japan plans to resume whaling in 1.7 million square miles of ocean. By turning their backs on the moratorium, the Government of Japan will not only undo decades of global solidarity, it will also send a message to the rest of the world: that commercial whaling has a place in 2019.

In the 1970s Greenpeace shone a light on this industry, campaigned for change and won. Now the fight needs to start again.

Sign the Greenpeace petition to the Embassy of Japan calling on then end commercial whaling for good – <https://secure.greenpeace.org.uk/page/s/end-commercial-whaling-sv1?>

## Plastic news

### Lush's first UK naked store

In January, Lush opened its first 'Naked' store in the UK, which has no plastic packaging at all. Products include solid shampoo, conditioner, shower gel and moisturiser bars.

The new store is at 10 Market Street in Manchester.

Inspired by the perpetual public concern over plastic pollution, the cosmetics brand first opened 'Naked' stores in Milan and Berlin in 2018.

Customers will be able to scan products on their smartphones directly from the shelves using an app called 'Lush Lens'.

This will allow them to take a closer look at the ingredient information without the need for plastic labelling on the back of cosmetic items.



### Send your bottle tops to Lush

Local councils often don't collect and recycle plastic milk bottle tops, drinks bottle tops, cosmetics bottle tops and household cleaning bottle tops. They often end up in landfill and are the most common everyday items that turn up on beaches.



But Lush do recycle them. Hand them in at your nearest shops or send (max weight 2kg) to Freepost Lush Green Hub. They recycle them into their black plastic pots which can also be returned to Lush for recycling back into more black plastic pots.

### M&S trials plastic-free fruit and veg

Marks and Spencer is launching a trial of 90 lines of plastic-free loose fruit and vegetables.

Elena Polisano, ocean plastics campaigner for Greenpeace UK, said: "M&S were ranked fourth out of the ten biggest supermarkets when Greenpeace assessed their plans to tackle plastic waste, so it's encouraging that M&S is now being more ambitious when it comes to reducing its plastic footprint.

"M&S must now go further and introduce plastic-free fruit and vegetable lines in all stores nationwide, and we urge other supermarkets to follow suit."

### Plastic-free kitchen

See page 45 for tips on how to keep plastic out of your kitchen.

## Organic market grows

The 2019 Organic Market report was launched in February by the Soil Association, showing a 5.3% growth during 2018. This is the highest ever value placed on the organic market following a seventh consecutive year of growth. Almost £45m is spent each week on organic in the UK.

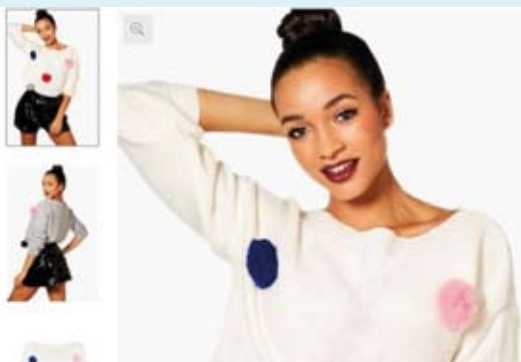




## Fake faux fur

**Boohoo and Zacharia Jewellers are the latest clothing companies to have been found selling real fur as faux.**

Humane Society International (HSI), which has been investigating this issue, bought the items in question and had them tested – the results showed that they were most likely made of rabbit fur. HSI passed this information onto the Advertising Standards Authority (ASA) who have upheld a ruling that the companies are in breach of laws on misleading advertising. Products have also been previously found at T K Maxx, Amazon, AX Paris, eBay and Missy Empire.



Claire Bass, Executive Director of HSI UK said “It’s completely unacceptable that compassionate consumers setting out to buy fake fur are being misled into buying animal fur. These two examples are the latest in a long list of ‘fake faux fur’ items we’ve found for sale, so we hope that the ASA’s rulings will send a strong message to the industry and make retailers work harder to give consumers confidence in avoiding cruel animal fur. Because of the appalling conditions on fur farms, real fur can now be cheaper to produce than fake fur, so retailers need to have robust checks in place along their whole supply chains, to make sure they know exactly what they are selling and to keep their pledges to their customers. The vast majority of British shoppers want nothing to do with the cruel and unnecessary fur trade, and a ban on UK fur sales would be a positive step to protect both consumers and animals.”<sup>1</sup>

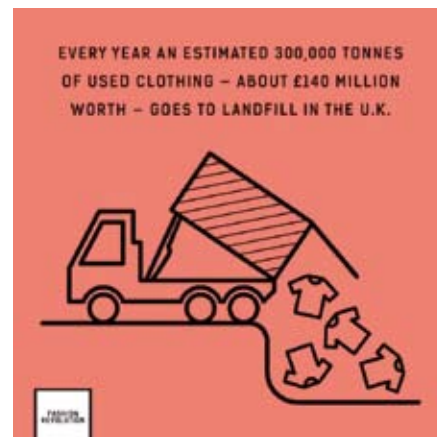
You can find a guide to telling real fur from fake on the HSI website.<sup>2</sup>

## Impacts of fast fashion investigated by parliamentary committee

**Representatives of major fashion retailers were defending their positions in parliament in November as part of the Environment Audit Committee’s inquiry into the sustainability of the fashion industry.**

The chair of the enquiry, Mary Creagh MP, posed questions relating to safety and wages in supply chains as well as the environmental impacts of fast fashion such as pollution, plastic, waste and carbon emissions.<sup>3</sup> Caroline Lucas MP also challenged the companies in relation to what they were doing to reduce the amounts of pesticides and fungicides being used in their cotton supply chains.<sup>4</sup> High-street retailers

being questioned included Marks and Spencer, Primark, Burberry and the Arcadia Group which owns brands including Top Shop, Dorothy Perkins, Miss Selfridge and Wallis. Online retailers, ASOS, Boohoo and Missguided were also questioned.<sup>5</sup>



The inquiry held its last hearing in December where ministers were questioned over failures to enforce minimum wage laws in the UK garment industry as well as issues around textile waste. This was particularly in relation to evidence disclosed to the committee regarding “rampant non-payment of the minimum wage in Leicester textile factories”.<sup>6</sup> The inquiry had heard evidence that female workers, often very young, were being paid an average of £3.50 an hour and working in factories with doors, including fire escapes, padlocked, and auditors were repeatedly being blocked from access. Kelly Tolhurst, Minister for Small Business, Consumers and Corporate Responsibility repeatedly avoided answering questions into what her department was doing to investigate this.

Transcripts, videos and evidence that form part of the inquiry are all publicly available at [www.parliament.uk](http://www.parliament.uk).<sup>7</sup> The inquiry will be publishing its recommendations in February.

## UK public believes clothing brands need to be more responsible

**In November 2018, the Clean Clothes Campaign and the Changing Markets Foundation teamed up to ask the UK public what they think about the ethics of major fashion brands. Here are some of the highlights:**

- 74% think clothing manufacturers should be responsible for what happens in their supply chains and should ensure garments are made in an environmentally friendly way.
- Only 11% feel consumers are kept well-informed about the impacts of clothing manufacturing on the environment and people.
- 79% feel brands should provide information on their environmental commitments and whether the workers in their supply chains are paid a fair living wage. Over half would be put off buying from brands that do not do this.
- People do not perceive luxury brands as any better than low-cost brands with only 6% of people associating both Gucci and Primark with having a sustainable supply chain.

Urska Trunk of the Changing Markets Foundation said: “This is the most comprehensive consumer survey to date looking at perceptions of environmental and social standards in the clothing industry ... All the indications are that consumer mindsets are changing: they want more accountability and more information, and they are increasingly putting their money where their mouth is.”



## News from Bangladesh

### Garment workers protest

The Bangladeshi garment industry has become infamous for a multitude of workers' rights abuses with extremely low pay, long hours and dangerous working conditions being key problems. During January 2019, widespread strike action has seen thousands of Bangladeshi garment workers take to the streets in protests largely related to low pay.

The protests have been met with a violent response and police have used water cannons, tear gas and rubber bullets to disperse crowds.<sup>8</sup> This has led to numerous people being injured as well as the death of Sumon Mia, a 22-year-old garment worker who was hit in the chest by police gunshots as he was returning home from work.<sup>9</sup> This led the government to form an investigative panel along with factory owners and union leaders and an agreement was reached to raise wages.<sup>10</sup>



This has all taken place while the future of the Bangladesh Accord still hangs in the balance.<sup>11</sup> As we discussed in Issue EC176, the Accord was set up to ensure the safety of Bangladeshi garment workers in the wake of the Rana Plaza factory collapse. The Bangladeshi High Court ordered the Accord to be expelled from Bangladesh on 30 November 2018. However, the Accord's appeal hearing over this decision has been repeatedly delayed in court, with a date currently set for February 18th.

### Gender Justice t-shirts made by women in sweatshops

Meanwhile, The Spice Girls, Comic Relief and Stanley/Stella all stated that they were "shocked" by revelations that T-Shirts bearing the #IWannaBeASpiceGirl slogan and being sold to

**References:** [All Accessed 23 January 2019] **1** www.hsi.org **2** www.hsi.org/assets/pdfs/real-vs-fake-fur-guide.pdf **3** fashionunited.uk/news/retail/uk-retailers-defend-selling-cheap-clothes-in-sustainability-enquiry/2018112940224 **4** data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/environmental-audit-committee/sustainability-of-the-fashion-industry/oral/93123.pdf **5** parliamentlive.tv/Event/Index/fc0e4353-5130-478b-9667-f82f31a72ad8 **6** data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/environmental-audit-committee/sustainability-of-the-fashion-industry/oral/94506.pdf **7** www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/inquiries/parliament-2017/sustainability-of-the-fashion-industry-17-19/publications **8** www.theguardian.com/world/2019/jan/14/bangladesh-strikes-thousands-of-garment-workers-clash-with-police-over-poor-pay **9** www.wsws.org/en/articles/2019/01/10/bang-j10.html **10** www.reuters.com/article/us-bangladesh-garments-protests/bangladesh-garment-manufacturers-raise-workers-pay-amid-further-protests-idUSKCN1P70BY **11** labourbehindthelabel.org **12** www.independent.co.uk/arts-entertainment/music/news/spice-girls-t-shirts-comic-relief-gender-justice-bangladesh-factory-working-conditions-pay-a8738256.html



raise money for Comic Relief's Gender Justice campaign had been made by female garment workers in Bangladesh earning the equivalent of 35p an hour. One of the workers told the Independent: "We don't get paid enough and we work in inhuman conditions".<sup>12</sup> Considering how long the conditions of Bangladeshi garment workers have been widely known, it has to be asked how long it is acceptable for fashion suppliers to claim that they have been shocked by revelations of workers' rights abuses in their supply chains.

Keep a look out for our upcoming feature on anti-sweatshop campaign, No Sweat. They have set up a new t-shirt brand importing wholesale, blank t-shirts that are sourced solely from workers' co-ops run by former sweatshop workers (including survivors of Rana Plaza). The profits generated from sales will be used to fund trade union work in the garment sector.



## Take action with the 'Six Items Challenge'

Labour Behind the Label's Six Items Challenge is "a fashion fast to oppose fast fashion". Participants must choose six items of clothing from their wardrobe and pledge to wear only these items for six weeks (don't worry, underwear and socks don't count!). The campaign is designed to challenge the new trend of fast fashion where retailers change stock every 4-6 weeks making clothes cheap and disposable. The challenge also acts as a fundraiser to help Labour Behind the Label continue fighting for the rights of garment workers. The challenge takes place between the 6 March and 18 April 2019 and you can sign up by visiting labourbehindthelabel.org.



Advert for Hitl vegetarian restaurant in Zurich, Switzerland.

# Fake meat

*Josie Wexler asks whether soya is causing deforestation and looks at some of the newer ways to swap a cow for some magic beans.*

The number of UK vegans has quadrupled in the last four years. Recent surveys suggest that about 1.2 million people in the UK are now vegetarian, around half of these are vegan, and one in three are trying to reduce their meat consumption.<sup>1</sup>

Although it is hard to get reliable figures for many countries, this does not appear to be just a UK phenomenon. The European meat alternatives market grew by 451% in the four years to February 2018.<sup>2</sup> The US one grew by 8.1% in the 12 months to August 2017, compared to 0.2% growth for all foods.<sup>3</sup>

In an effort to feed this hungry rabble, many new brands have leapt onto the scene. We couldn't cover all of them, so we've tried to cover those that are more widely available, and some which sell interesting new fake meats including jackfruit and pea protein.

Sainsbury's has recently started placing meat alternatives in the meat section. Some vegans are pleased as they think that it may encourage switching, although the evidence isn't in.

## What are fake meats made of?

Gone are the drab days when nearly all veggie burgers were made of soya.

### Seitan

With the explosion in gluten-free foods and gluten-free restaurants, some people have commented that gluten is starting to be thought of as Satan. But this is wrong: gluten is not Satan, gluten is seitan.

Seitan is made by washing wheat flour dough with water until all the starch granules have been removed, leaving just the protein. Seitan-based products can be bought from Upton's Naturals and Sojade.

Nutritionally, the drawback with seitan

is that the protein isn't 'complete' – it doesn't contain the full range of essential amino acids.

### Lupin beans

Lupin or lupine beans are sometimes called the 'soya bean of the north'. They contain a similar amount of protein to soya, with the full range of essential amino acids. But, unlike soya, they grow in cool climates. Vivera and the Vegetarian Butcher both make some meat-free products out of lupin beans.

### Jackfruit

Jackfruit are a new big thing in meat substitutes. They are enormous fruit that grow on trees in India and surrounding regions. They contain very little protein, so they aren't really nutritionally a meat substitute, but when they are unripe they have a chewy texture that is somewhat like pulled pork, and they absorb flavour very well. Jackfruit-based meat substitutes can be bought from Upton's Naturals.

Jackfruit has fans in scientific institutions who call it "miracle fruit", "drought resistant", and other terms of endearment.

### Mycoprotein

Mycoprotein means 'protein from fungi'. It is the basis of Quorn, which is a type of soil mould that is grown in fermentation vats. It was invented deliberately in a drive to find new proteins to feed the world's growing population in the mid-eighties.

Although the patent on it has now expired, Quorn is still the only company that makes it.

### Other things

The Beyond Burger is made from protein extracted from peas, dyed red with beetroot. The beetroot makes it 'bleed' somewhat like meat, which has been talked

about a lot in the press, although the company says that that wasn't deliberate.

Goodlife's burgers are made from other beans, and vegetables.

## Soya and deforestation

The two major soya-producing countries are the US and Brazil, which together produce about 64% of the world's supply. Soya is Brazil's biggest export by value, and there have long been serious concerns about the extent to which it is behind deforestation in the Amazon and surrounding regions.

As discussed in our last guide to meat substitutes in EC160, there has been a 'soya moratorium' in place in Brazil since 2006. The moratorium is an agreement between the companies who buy nearly all of the soya in Brazil. They agreed not to buy any soya that had been grown on recently deforested land, and to blacklist farmers known to be using slave labour. Verification is done with satellite data. The moratorium was renewed indefinitely in 2016.

The soya moratorium appears to have been successful at preventing soya being grown on freshly deforested land in the Amazon.<sup>4</sup>

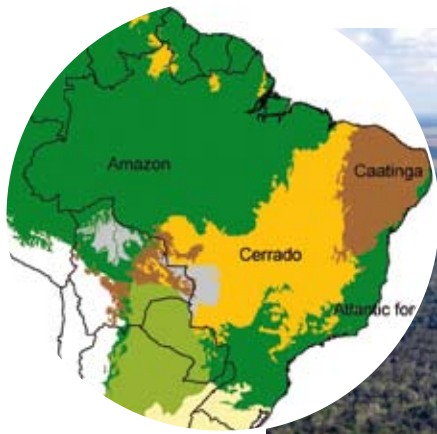
## Loopholes big enough to build an Amazon highway through

However, this does not mean that soya is no longer a cause of deforestation in the Amazon. Because there are lots of ways its role can be hidden.

Many people have argued that the soya is simply being put on the older deforested land which was previously being used for cattle, while the cattle are pushed into the forest frontier.<sup>5</sup>

Theoretically, there is also a cattle deforestation moratorium in place in Brazil. But enforcement is much harder with cattle, because they're easy to move





The soya moratorium only covers the Amazon. Meanwhile virgin habitat has continued to be ripped up unchecked in the nearby Brazilian Cerrado.



Stockholm Environment Institute

about. The agreements only cover the bit of ground they were standing on just before slaughter. This means that cattle can easily be 'laundered' – reared on illegally cleared land and then shifted to permitted areas right at the end. One paper states:

"Ranchers reported that such laundering is a common and accepted practice, and pointed to the fact that it is not prohibited by the agreements."<sup>6</sup>

Soya production is the most profitable use of cleared land in the region. So, even if the moratorium means that farmers have to do a bit of switching and shuffling things about in order to do it, it is likely to still be providing a motivating factor.

## Disentangling the causes of deforestation

The Amazon deforestation rate fell by 70% between 2005 and 2013. It has been rising again somewhat recently, although the quantities are still a very long way from the horrendous amounts seen in the early 2000s.

It is tempting to attribute the dramatic fall to the soya moratorium, and we may have been a bit overenthusiastic in that regard in our previous guide on the topic.

A 2017 article on Mongabay pointed out that, while it definitely had an impact, the major fall – of almost 50% – happened before the moratorium was signed.<sup>7</sup>

Politics was inevitably a major part

of the story. The big progress tackling deforestation happened under the left-wing government led by Lula da Silva, which made it a policy goal.

In contrast, the new far-right President, Bolsonaro, has openly pledged to plunder the Amazon. It is too early to say what is actually going to happen, but a lot of people are extremely frightened.

## The Cerrado

The other major problem with the soya moratorium is that it only covers the Amazon. Meanwhile, virgin habitat has continued to be ripped up unchecked in the nearby Brazilian Cerrado.

The Cerrado is an enormous savannah (a mixed habitat with trees that are more widely spaced than in a forest), which has struggled to be as glamorous as the Amazon but is nonetheless the most biodiverse savannah on the earth, helps regulate the region's rainfall patterns, and stores about 13.7 billion tons of carbon dioxide.<sup>8</sup>

Half of the Cerrado has already been lost. In September 2017, over 60 Brazilian NGOs released a 'Cerrado Manifesto', calling for soy and meat companies to take immediate action to protect the rest. It states:

"It is unnecessary for the livestock and agricultural sectors to continue expanding into natural habitats in the Cerrado, especially considering there are around 40

million hectares already cleared in Brazil suitable for cultivating soy – the main crop associated with the destruction of native vegetation. Modest gains in cattle-raising efficiency would free millions of hectares for other types of land use."<sup>9</sup>

Many corporations have signed, including Aldi, Co-operative Group, Sainsbury's, Morrisons, Waitrose, Walmart (Asda), Unilever, Tesco, Marks and Spencer and Lidl. While this is a good start, it is a symbolic statement rather than action.

## The Roundtable on Responsible Soy and Proterra

As well as the moratorium, there are two certification schemes working in the area: the Roundtable on Responsible Soy and ProTerra. As discussed in EC160, they certify individual producers. WWF produced a 'scorecard' in 2016, detailing the proportion of big companies' soya that was certified by these schemes:

Waitrose	65%
Marks & Spencer	52%
Asda	11%
Unilever	8%
Morrisons	7%
Tesco	3%
Co-operative	1%
Sainsbury's	0%



## USING THE TABLES

**Ethiscore:** the higher the score, the better the company across the criticism categories.

- = worst rating,
- = middle rating,
- empty = best rating (no criticisms).

## USING THE TABLES

**Positive ratings (+ve):**

• **Company Ethos:**

- ★ = full mark,
- ☆ = half mark.

• **Product Sustainability:**

Maximum of five positive marks.

BRAND	Ethiscore (out of 20)	Environment					Animals			People				Politics			+ve		COMPANY GROUP	
		Environmental Reporting	Climate Change	Pollution & Toxics	Habitats & Resources	Palm Oil	Animal Testing	Factory Farming	Animal Rights	Human Rights	Workers' Rights	Supply Chain Management	Irresponsible Marketing	Arms & Military Supply	Controversial Technologies	Boycott Call	Political Activity	Anti-Social Finance		Company Ethos
Dragonfly [Vg,O]	17																	★	2	Dragonfly Foods
Taifun [Vg,O,S]	16.5	●									○							★	3	Heck Unternehmensstiftung
Fry's [Vg,S]	16										●							★	2	Fry Group Foods
Upton Naturals [Vg,S]	15.5										●							★	1.5	Upton's Naturals
Goodlife [Vg, S]	14.5										●								1.5	Goodlife Foods Ltd
Tofurky [Vg,S]	14.5	●									●							★	1.5	The Tofurky Company Inc
Cheatin' [Vg]	14					●					●							★	1	VBites Foods Ltd
Goodlife [S]	14										●								1	Goodlife Foods Ltd
Oumph! [S,Vg]	14	●									○								1.5	Ecab Invest AB
VBites [Vg]	14					●					●							★	1	VBites Foods Ltd
VegiDeli [Vg]	14					●					●							★	1	VBites Foods Ltd
Beyond Meat [Vg]	12.5	●									●						●	★	0.5	Beyond Meat Inc
Wicken Fen	12.5										●			○						Weeks Foods Ltd
Vivera [S]	12	●				●					●								1	Enkco Topholding B.V.
Cauldron [Vg,S]	10.5	●				●		●	●		●			○					2	Monde Nissin Singapore Pte
Quorn vegan [Vg,S]	10.5	●				●		●	●		●			○					2	Monde Nissin Singapore Pte
Cauldron [S]	9.5	●				●		●	●		●			○					1	Monde Nissin Singapore Pte
Quorn [S]	9.5	●				●		●	●		●			○					1	Monde Nissin Singapore Pte
Sojade	9.5	●						●	●		●			○						Triballat Noyal
Linda McCartney [Vg]	7	●		○		○		●	●	○	○	●				○	●		0.5	Hain Celestial Group Inc
Waitrose vegan [Vg]	5.5	○		●	●		○	●	●	●	●		●		○		●	☆	0.5	John Lewis Partnership
M&S	5		○	●	○		○	●	●	●	●		○		○		○	●		Marks & Spencer Group Plc
Waitrose	5	○		●	●		○	●	●	●	●		●		○		●	☆		John Lewis Partnership
Co-op	4.5		●	○	○	○	○	●	●	●	●		●		○		●	○	☆	Co-operative group Ltd
Aldi	3.5	○	○	●	●	○	●	●	●	●	○	○		○			○			Siepmann Stiftung
Lidl vegan [Vg]	3.5	○	○	●	●	○	●	●	●	○	●	○		○		○	●		0.5	Schwarz Beteiligungs-KG
No Bull	3.5	●	○	○	●		●	●	●	●	●			○			●			Iceland Topco Ltd
Lidl	3	○	○	●	●	○	●	●	●	○	●	○		○		○	●			Schwarz Beteiligungs-KG
Sainsbury's	3	○	●	●	●		○	●	●	●	●	○	●		○			●		J Sainsbury Plc
Vegetarian Butcher [Vg]	3	○		●		●	●	●	●	●	○			●	○	●	●		0.5	Unilever
Morrisons vegan [Vg]	2.5	○	●	●	○	○	●	●	●	●	○	●		○	○		●		0.5	Wm Morrisons Plc
Vegetarian Butcher	2.5	○		●		●	●	●	●	●	○			●	○	●	●			Unilever
Morrisons	2	○	●	●	○	○	●	●	●	●	○	●		○	○		●			Wm Morrisons Plc
Tesco	0.5	○	●	●	●	○	●	●	●	●		●	○	●		●	●			Tesco Plc
Tivall	0.5		○	●	●	●	●	●	●	●	○	●		○	●	●	●			Nestlé SA
Asda	0	○	●	●	●	○	●	●	●	●	●	●	●	○		●	●			Wal-Mart Stores Inc

See all the research behind these ratings on [www.ethicalconsumer.org](http://www.ethicalconsumer.org). For definitions of all the categories go to [www.ethicalconsumer.org/our-ethical-ratings](http://www.ethicalconsumer.org/our-ethical-ratings)

[S] = soya not from Brazil or non-soya based [Vg] = vegan

The big problem with these schemes is that they suffer from the same issue as the moratorium: because they are piecemeal, they can just cause things to be shifted around. However, they may well be better than nothing.

## What to do about soya

The fall in deforestation that took place after 2005 shows what is possible. And given the amount of land already cleared in Brazil, it should be eminently possible to grow soya without decimating local

ecosystems. The problem is that the politics of the region is moving rapidly away from that, not towards it.

Therefore, we currently advise buying products containing soya from outside Brazil if possible, and pressurising the big companies to do more to counteract the damage that Bolsonaro is likely to do. Various ideas are being thrown around online, but much will depend on what he actually does, which is not clear. We will keep you updated.

## Soya sourcing

Soya sourced from outside Brazil	
Cauldron	Cauldron says, “Our suppliers have long-term agreements with growers in Canada, China and Europe, sourced from strict sustainable areas where the beans must be grown in ways that are organically, ecologically and ethically good.”
Taifun	Taifun says “100% of our soybeans come from the heart of Europe. 99% organically grown”
Vivera	Vivera says “We only make use of GMO-free soy from North America”
Tofurky	Tofurky says “We source only organic and domestically grown [USA] soy beans”
Oumph!	Oumph! says “The soya used to make Oumph! is grown in Europe, in the Danube region to be precise ... We don’t buy any soya from South America, in order to ensure that we don’t contribute to the deforestation of the rain forest.”
Fry’s	Company stated in private communication that its soya is sourced from India.
Not soya	
Goodlife	No soya. Based on non-soya beans and vegetables.
Quorn	No soya. Based on mycoprotein.
Upton’s Naturals	Based on gluten. The only soya ingredient is soya sauce
No info	
Beyond Meat	No info, but primarily based on peas, not soya. However, also sells a number of soya products.
VBites, VegiDeli, Cheatin’, Making Waves	No info. Based on soya.
Dragonfly	
Linda McCartney	
Tivall	
Wicken Fen	
Assumed to contain soya from Brazil	
The Vegetarian Butcher	The Vegetarian Butcher says, “The soy we use in some of our vegetarian meat products is GMO-free and originates from small-scale cultivation, for which no forests are chopped down (South America outside the Amazon, Midwest US, Canada and parts of Asia).”
All the supermarkets	<p>The supermarkets all source large quantities of soya. All of them, other than Aldi and Iceland, have public statements on sustainable sourcing. But, apart from Asda which states that most of its soya is from South America, they do not address where it is from.</p> <p>We think that, if they weren’t sourcing from Brazil, they would be saying so. thus it can be assumed that they are.</p>



Our Best Buys and Recommended brands (below) are either not based on soya, or source it from outside Brazil. This way you are less likely to be contributing to deforestation there. They are marked by [S] on the score table opposite.

Our Best Buy brands are both vegan and palm oil free – Taifun and Oumph!. Taifun is additionally organic and a vegan company.



16.5



14

Though Dragonfly came top of the table we had no information about where its soya came from.

### RECOMMENDED

Also recommended are **Fry's**, **Upton Naturals** and **Tofurky** which are vegan companies, followed by **Goodlife**. All these brands are palm oil free.

Of the more widely available brands, **Quorn** and **Cauldron** are good options. They are not vegan companies, although some products are.



### BRANDS TO AVOID

We recommend avoiding **Tivall**, an Israeli company owned by Nestlé. Nestlé has long been criticised over its policies in many areas, including baby milk and water.

## Table highlights

### Soya sustainability

Rating soya sustainability is difficult. However, given how dangerous Bolsonaro is making the situation look at the moment, we decided to give a Product Sustainability mark ([S]) on the table overleaf to any product that is non-soya based, or made by a company that states that it sources its soya from outside Brazil, and to only make companies Best Buys or Recommended buys if they got this mark.

See page 10 for more information on soya and deforestation.

### Palm oil

All those who got our best rating for palm oil are palm oil-free. They either state it, or list the ingredients of their products on their websites, allowing us to check for any palm oil or anything that looked like a palm derivative.

No supermarkets are palm oil-free, although Iceland is working towards it with regard to their own-brand products.

### Tax avoidance

Many of the companies in this area are too small to have subsidiaries in tax havens. However, the following companies were given our worst rating for likely use of tax-avoidance strategies: Hain Celestial (Linda McCartney), Nestlé (Tivall), Unilever (the Vegetarian Butcher), Beyond Meat, Tesco, Sainsbury's, Asda, Lidl, Waitrose, Morrisons and Marks and Spencer.

The following got our middle rating: Iceland (No Bull) and Aldi.

### Vegan and vegetarian companies

The following companies get a positive Company Ethos mark for being entirely vegan: Taifun, Tofurky, Upton Naturals, VBites, Dragonfly, Beyond Meat and Fry's.

The following are entirely vegetarian, and so avoid getting marked down for selling meat: Viverra, Wicken Fen, and Sojade.

### Vegan brands

Vegan brands are marked with [Vg] on the score table overleaf. Those that are marketed as vegan get an extra half mark in the Product Sustainability column whilst those certified as vegan by the Vegan Society get an extra whole mark.

## Too much salt in processed meat alternatives



Action on Salt has raised concerns about the amount of salt in some meat substitutes.

It surveyed meat-free products in 2018 and found that 28% had missed the voluntary maximum salt target set by Public Health England for the end of 2017. It also found that meat-free burgers on average contain somewhat

more salt than meat burgers (0.89g per serving v 0.75g per serving).

There is, however, a wide variation in the products. Two of the saltiest were Tofurky's Hickory Smoked Deli Slices and Tesco's Meat Free Bacon Style Rashers, with 3.5 and 3.2 grams per 100g respectively. In comparison, Quorn vegetarian ham and bacon only contained 0.9g and 1.2g per 100g. And Tesco meat-free mince only contains 0.2g/100grams.

Action on Salt also point out that 20% of products have no front of pack colour-coded labelling, including Linda McCartney's entire product range.

If you are concerned about your salt intake, it is worth checking the full list from Action on Salt to get an idea of what products to look for – [www.actiononsalt.org.uk/salt-surveys/2018/meat-alternatives-survey](http://www.actiononsalt.org.uk/salt-surveys/2018/meat-alternatives-survey).

## The environmental impact of soya vs meat

If choosing between meat and soya, it is important to keep the environmental impacts of soya in perspective. Analyses nearly always suggest that meat is substantially worse in environmental terms than the alternatives. See box.

Furthermore, not eating soya does not mean that you are not eating soya. Per 100 grams, animal products contain the following amounts of embedded soya, from the soya used in feed:<sup>10</sup>

- Chicken – about 109 grams (more than the weight of the actual meat)
- Farmed salmon – about 60 grams.
- Eggs – about 64 grams
- Pork or beef – about 50 grams
- Cheese – about 25 grams
- It wasn't possible to find figures for sheep, although they may also be fed soya.

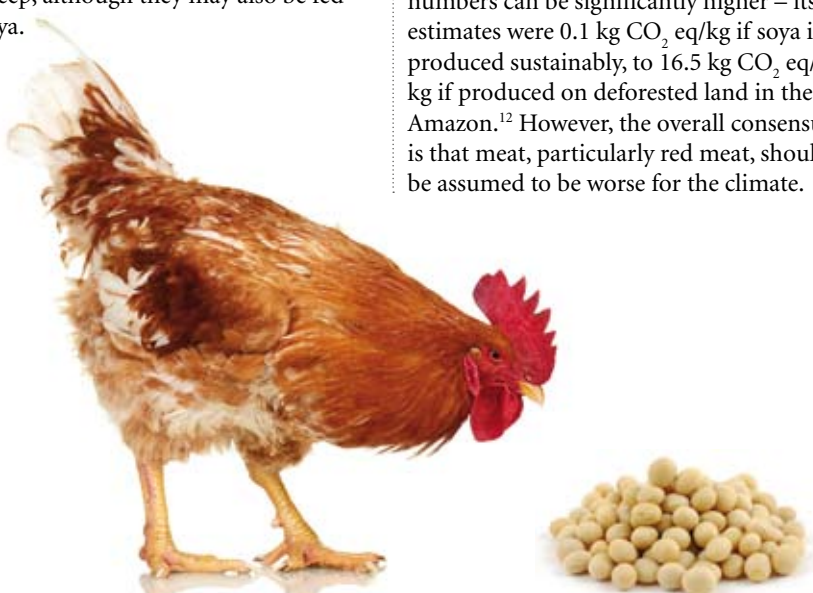
### Climate impacts of meat and meat alternatives<sup>11</sup>

	Kg CO <sub>2</sub> eq per kg product
<b>Beef</b>	9-129
<b>Pork</b>	4-11
<b>Chicken</b>	2-6
<b>Quorn</b>	2-6
<b>Soya</b>	1-2

These figures are best estimates based on a review of all of the life-cycle assessments out there. The huge variation in the figures is because it depends how production is done.

One study suggested that, if deforestation happens for soya, the numbers can be significantly higher – its estimates were 0.1 kg CO<sub>2</sub> eq/kg if soya is produced sustainably, to 16.5 kg CO<sub>2</sub> eq/kg if produced on deforested land in the Amazon.<sup>12</sup> However, the overall consensus is that meat, particularly red meat, should be assumed to be worse for the climate.

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## Companies behind the brands

**Taifun** is a German company which makes exclusively organic, vegan products. It says that it knows all of its farmers – who are based in Europe and grow for the company under contract and provides them with support and fair prices.



**Upton Naturals** is a US company that sells seitan and jackfruit (pictured above) meat substitutes.

**Tofurky** is a US company. It is vegan, palm oil- and GM-free, and a certified B-Corp. It makes soya products.

**Oumph!** is a Swedish company that makes soya products. It bases its model on 'co-creation' – partnering with other companies to make vegan ranges of their products.



An advert for The Vegetarian Butcher, now owned by Unilever.

**The Vegetarian Butcher** is a Dutch company which sells soya and lupin-based products. It has a website with a picture of a 'butcher' holding a meat cleaver, with an apron splattered in carrot juice. It does badly in our ratings as it has just been bought by Unilever, and thus inherits many of Unilever's scores.

**Beyond Meat** is a US company that has got a lot of publicity for its 'bleeding' veggie burgers which are supposed to taste convincingly like meat. It is vegan, and palm oil- and GM-free. In 2016, Tyson Foods, the biggest American meat company, invested a 5% stake in the company.<sup>13</sup> It gets our worst rating for likely use of tax avoidance strategies as it is registered in Delaware, which we consider a tax haven, but has its correspondence address in California.



Beyond Meat's bleeding burger.

**Cauldron** and **Quorn** have, since 2015, been owned by Monde Nissin, a Philippine company which has other subsidiaries that make noodles, biscuits, beverages, snacks and cereals.

The UK subsidiaries are vegetarian and have strong policies on GM and palm oil. However, we rate companies at the parent level, and they have inherited negative marks in these areas from Monde Nissin's other subsidiaries, which use animal products, and seem to use uncertified palm oil.

**No Bull** is made by **Iceland**. Last year Iceland became the first supermarket to commit to remove all palm oil from all of its own-brand food, which it pledged to do by the end of 2018. It has recently been mocked in the mainstream press since BBC researchers found products that still contained palm oil, and the company turned out to have taken its branding off some products to try to hide the fact that they were own-brand.

Iceland says that it has been struggling with its manufacturers, and it has now extended its deadline until April. While it should have been more transparent, we have not marked it down because what it is doing on palm oil is still unprecedented among supermarkets.

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## Meat-free sausages and burgers

*Colin Birch with a light-hearted guide to trying, and sometimes failing, to be ethical.*

Of all the things I've attempted to give up in my bid to live more ethically, meat has been the hardest. I used to be a voracious meat eater – my idea of meat-free sausages was the economy ones that contain every part of the animal apart from the meat. I wouldn't even have a late-night kebab topped with salad lest it provided some sort of lettuce-based barrier to the flesh I intended to devour. I used to think my reaction to having a meat-free diet would be to send myself to an abattoir for slaughter, such was the misery I imagined it would entail.

However, as I've become more aware of the immense damage to the planet meat consumption is causing, I've tried to take the bull by the horns – instead of ordering a slab of it medium-rare – and embrace a meat-free diet.

At first, I thought about reducing my meat consumption bit by bit, partly to appease my local butcher as I'm not keen on annoying anyone with access to that many sharp knives. However, I can't face being a flexitarian – it's not the lifestyle that puts me off, it's the name, a 'flexitarian' sounds like a middle-class contortionist or someone who only eats electric cables ... possibly because they're tastier than a lot of vegetarian food. I'd rather be a 'Mexitarian' who only eats beef in chilli, or, better still, a 'legs-it-arian': someone who eats meat occasionally in restaurants, but then legs it out the door without paying as a form of protest.

Anyway, I've decided to go the whole hog (wow, it's harder to give up meat-based sayings than to give up meat) and embrace the alternatives. They're not something I've ever tried before. For years, I was wary of Linda McCartney's veggie burgers and sausages because I assumed they'd be as bad as her backing vocals in Wings.

But things have changed – a third of Brits are reducing their meat intake due to changing tastes and lifestyles. Gone are the

days when turning up at a barbecue with a packet of veggie sausages would mean you being thrown on the hot coals instead of them.

Consumers are demanding more ethical bangers and patties in their buns now, and in terms of veggie or vegan burgers and sausages there's so much more choice, with all the major supermarkets rushing to enhance their green credentials by stocking them. The big trend of the moment is for plant-based alternatives, with some appearing so much like real meat that they change colour during cooking and even 'bleed' beetroot juice. I tried one, which tasted great, but then I spilled some of the beetroot juice down the white shirt

I was wearing. Eight washes and a new cotton shirt later, it doesn't seem quite so environmentally friendly.

Of course, I could switch to the traditional burgers made from chickpeas and lentils that vegetarians enjoyed in the 1970s, but then they also endured three-day weeks, stagflation and flares, which no doubt made the soggy mush seem not quite as bad by comparison. I'm not sure it's worth the risk.

I've thought about trying soya-based sausages too, but soya's production can involve deforestation, and, more importantly, if they taste as inauthentic as soya milk does then, frankly, I'd rather save a few Brazilian trees and my taste buds.

It seems that having all these choices in this brave new world of meat-free burgers and sausages is a double-edged sword. We can now buy varieties that taste incredibly lifelike, but the worry is that we'll take so long actually choosing them that we'll starve to death in the process.

To avoid confusion, I think I'll stick to Quorn as my go-to meat substitute, partly because it's produced using a fermentation process similar to beer, so there's the faint hope that eating enough of it might save me a trip to the pub, and also because I have big plans to launch a 'Quorn-ish Pasty' and 'Quorn-ter Pounder' as soon as I can get on 'Dragons' Den' – yes, I know they're terrible puns, but if people are prepared to embrace 'Veganuary' then they'll accept anything.







# Timber!

*If a tree falls as a result of illegal logging, will it make a sound?*

*Alex Crumbie explores the ethics of the furniture trade.*

**W**ith the exception of those taking the minimalist lifestyle to the extreme, furniture is an essential feature of every household. There are many ethical issues that arise in the production of furniture, particularly in relation to timber, cotton, leather and toxic flame retardants. A beautiful dining table is likely to lose its charm if you find out the wood was illegally felled from tropical rainforests. And how comfortable can a sofa really be if the cotton that covers it has been picked by the hands of forced labourers? Despite these difficulties, there are several options when it comes to sourcing ethical furniture.

Sustainable forestry, for example, has the potential not only to mitigate negative effects, but to be a positive industry, particularly in relation to environment. The wood that you have in your home is storing carbon and preventing it from spilling out into the atmosphere. Also, as a natural product, at the end of its lifetime wood will biodegrade, causing minimal damage to the environment (unless of course it has been treated with toxic chemicals). After reading up on the issues below, skip to page 23 for our Green Furniture Directory.

## Timber

As demand goes up, forests come down – at a shocking rate. In 2017, the rate of deforestation globally was such that

every second more than one football pitch of forest was destroyed.<sup>1</sup> Furniture production is a significant driver of the timber trade. In 2017, IKEA alone used 16.5 million m<sup>3</sup> of wood in its products,<sup>2</sup> which was almost 1% of all the industrial wood (wood in the rough, not used for fuel) produced globally that year.<sup>3</sup> However, it is important to recognise that it is not merely demand for timber that is leading to the razing of the world's forests, but also demand for soy, beef, palm oil and other commodities.

Despite a strong forestry sector in the UK, consumption of wood greatly outweighs domestic production. In 2017, total consumption of sawnwood stood at an estimated 11.4 million cubic metres, whereas production was 3.8 million cubic metres.<sup>4</sup> Companies therefore rely heavily on imports to plug the hole, making the UK the third-largest importer of forestry products in the world.<sup>5</sup> Most of the UK's softwood timber material is imported from Scandinavia, Eastern Europe and Russia, whereas most hardwood timber comes from south-east Asia and areas of central and western Africa, as well as a significant proportion of temperate hardwood coming from Russia and the US.<sup>6</sup>

## Illegal and unsustainable forestry

It is estimated that illegal logging accounts for about 15-30% of all wood traded globally, and is worth between \$51 billion and \$152 billion annually.<sup>7</sup> The problem is significantly greater in key producer tropical forests such as those of the Amazon Basin, Central Africa and South-east Asia, with illegal logging, according to

Interpol, estimated to account for between 50-90% of all forestry activities.<sup>8</sup> The wide-ranging statistics around

The UK is the third largest importer of forestry products in the world.

illegal logging, as with any black market, reflect the difficulty of monitoring a activity that operates in the darkness of illegality.

Illegal and unsustainable forestry have a number of negative environmental, social and economic impacts. Loss of natural forests leads to a loss of biodiversity and threatens the habitat of countless species of wildlife. It also accelerates climate change as forests play a vital role in the carbon cycle. Thriving forests capture carbon dioxide from the atmosphere and store it, releasing oxygen in exchange, whereas deforestation leads to the release of carbon if the forest is burnt and less carbon capture in future if it is replaced with agricultural crops.



## USING THE TABLES

**Ethicscore:** the higher the score, the better the company across the criticism categories.

- = worst rating,
- = middle rating,
- empty = best rating (no criticisms).

## USING THE TABLES

**Positive ratings (+ve):**

- **Company Ethos:**
- ★ = full mark,
- ☆ = half mark.

- **Product Sustainability:**
- Maximum of five positive marks.

BRAND	Ethicscore (out of 20)	Environment	Animals	People	Politics	+ve	COMPANY GROUP
Green Woods Furniture [S]	14					0.5	Green Woods Furniture Ltd
Green Woods Furniture	13.5						Green Woods Furniture Ltd
Myakka [F, S]	13					1.5	Myakka Ltd
Myakka [F]	12.5					1	Myakka Ltd
Gower Kitchens	10.5	○					Nobia AB
Magnet Kitchens	10.5	○					Nobia AB
Sustainable Furniture [S]	10	●				0.5	Sustainable-Furniture Ltd
Wren Kitchens	10	●					Vida Capital Partners
Sustainable Furniture	9.5	●					Sustainable-Furniture Ltd
Futon Company	9	●					Futon Ltd
Oak Furniture Land	9	●					JB Global Ltd
Barker & Stonehouse [S]	8.5	●				0.5	Barker & Stonehouse Ltd
Furniture Village	8.5	●					Furniture Village Holdings
Barker & Stonehouse	8	●					Barker & Stonehouse Ltd
Bensons for Beds [S]	8	●				0.5	Steinhoff Int Holdings NV
DFS [S]	8	●				0.5	DFS Furniture Plc
Bensons for Beds	7.5	●					Steinhoff Int Holdings NV
DFS	7.5	●					DFS Furniture Plc
Harveys	7.5	●					Steinhoff Int Holdings NV
Sofology	7.5	●					DFS Furniture Plc
ScS	5.5	●	○				ScS Group Plc / Sun Capital
The Range	5.5	●	●				Norton Group Holdings Ltd
IKEA	5	○	○				Stichting INGKA Foundation
John Lewis	5	○	●			☆	John Lewis Partnership Trust
Marks & Spencer	5	○	●				Marks & Spencer Group Plc
Next	5	○	○				Next Plc
B&Q	4	○	●				Kingfisher Plc
BrightHouse	3.5	●	●				BrightHouse TopCo Ltd
Argos	3	○	●				J Sainsbury Plc
Dreams	3	○	●				Sun Capital Partners Inc
Habitat	3	○	●				J Sainsbury Plc
Sharps Bedrooms	3	●	○				Sun Capital Partners Inc
Amazon	0	●	●				Amazon.com Inc

See all the research behind these ratings on [www.ethicalconsumer.org](http://www.ethicalconsumer.org). For definitions of all the categories go to [www.ethicalconsumer.org/our-ethical-ratings](http://www.ethicalconsumer.org/our-ethical-ratings)

[S] = reclaimed/recycled [F] = fair trade



## Warren Evans

Warren Evans, a furniture company revered for its ethical stance, went into administration in 2018, but looks set to relaunch in 2019. Whether its ethics will survive the company's death and subsequent reincarnation is yet to be seen.

## Threatening livelihoods

Unsustainable forestry also threatens the livelihoods of the 1.6 billion people – 60 million of whom are indigenous peoples – that rely on the world's forests either as a source of income or as a home.<sup>9</sup> Illegal logging also deprives governments of tax revenue needed for the delivery of vital public goods and services.

## Timber sourcing policies

In order to receive Ethical Consumer's best rating for their timber sourcing policy, a company's policy would have to meet at least six out of a possible ten necessary criteria. These criteria included: exclusion of illegal timber; a discussion of how the company ensures this; clear targets for sourcing timber from sustainably managed sources; use of reclaimed or recycled wood/paper; and a high total percentage (50%+) of FSC-certified timber. Although the FSC has been heavily criticised, it still provides the best assurance that timber, especially timber sourced from outside the EU, is responsibly sourced.

There were twelve companies who were considered to have a best timber sourcing policy, as illustrated in the Timber Sourcing table below left. Of particular

note is IKEA, the only company with a timber sourcing policy that met all ten of Ethical Consumer's necessary criteria. B&Q also had an extremely strong timber sourcing policy, as did Marks & Spencer and J Sainsbury Plc.

Reclaimed and recycled wood was at the heart of the two smallest companies in the table, Green Woods Furniture and Sustainable Furniture, although neither could give an exact figure as to what percentage of their timber was reclaimed.

Although Barker and Stonehouse received our worst rating for its timber sourcing policy, 20% of its dining and bedroom ranges were made from reclaimed wood.

Companies that had at least one range of reclaimed/recycled furniture were given half a mark for Product Sustainability, indicated by [S] on the table.

## What can be done about unsustainable logging?

### Forest Stewardship Council

Within the timber sector are a number of organisations claiming to promote sustainable timber sourcing. The most influential and well known of these is the Forest Stewardship Council (FSC), a multi-stakeholder organisation founded in 1993. The organisation has received considerable criticism over the years. In 2018, Greenpeace, a founding member, announced that it would not be renewing its membership, stating: "When implemented effectively, FSC certification can protect people's rights and improve forest management, but we no longer have confidence that FSC alone can consistently guarantee enough protection, especially when forests are facing multiple threats."<sup>10</sup>

Despite the criticism it has received, the FSC remains the organisation with the most credibility and potential to guarantee sustainable forestry. After second hand, reclaimed or locally-sourced timber, 'FSC 100% certified' wood products are the next best bet. Simon Counsell examines the FSC in greater depth on p24.

### PEFC & other schemes

The Program for the Endorsement of Forest Certification (PEFC) is the world's largest forest certification system. It has long been regarded as a far weaker accreditation system than the FSC and, therefore, was not part of Ethical Consumer's accepted criteria for an adequate timber policy.



Ethical Consumer's best buys would be second-hand or fully reclaimed/recycled furniture. Most of

### Green Woods Furniture

timber is reclaimed, while the rest is either FSC or PEFC certified. It also stocks certified organic mattresses and bedding.

14



Although the timber used in Myakka's furniture lacked FSC certification, it still received our best rating for its timber sourcing

13



policy and was the only company to offer 100% fair trade furniture.

## RECOMMENDED

**Sustainable Furniture:** A small, family business in Cornwall, supplying a large range of reclaimed timber products.

**IKEA:** If you can stomach the accusations of large-scale tax avoidance, we recommend IKEA. 77% of IKEA's timber is FSC certified or recycled, with targets of 100% by 2020. It also came first place in the 2017 Sustainable Cotton Ranking.

**Magnet/Gower Kitchens:** If it's a kitchen you are after, we recommend Magnet or Gower, both owned by Nobia AB, which received our best rating for its timber sourcing policy.



## BRANDS TO AVOID

2017 saw the launch of Amazon's exclusive furniture brands: Rivet and Stone & Beam. These brands were initially released onto the US market, but the spectre of Amazon's own-brand furniture is now haunting Europe. On its UK site, Amazon sells its furniture under the guise of five brands: Movian, Alkove, INFINIKIT, Rivet and Furniture 247. Our boycott of Amazon continues!

Company	Score	Rating
IKEA	10	Best
B&Q	9	
Marks & Spencer	8	
J Sainsbury Plc	8	
Nobia AB	7	
Oak Furniture Land	7	
Furniture Village	6	
Green Woods Furniture	6	
John Lewis	6	
Myakka	6	
Steinhoff International	6	
Sustainable Furniture	6	
DFS Furniture	2	Worst
Barker & Stonehouse	1	
Amazon	0	
BrightHouse	0	
Dreams	0	
Futon Company	0	
Next	0	
ScS	0	
Sun Capital Partners	0	
The Range	0	
Wren Kitchens	0	

FSC-Watch, a website dedicated to monitoring the FSC, states that it does not bother to monitor the PEFC and other, industry-driven, certification schemes because they have no credibility: “No NGOs, people’s organisations or indigenous peoples’ organisations were involved in setting them up. Why bother spending our time monitoring something that amounts to little more than a rubber stamp?”<sup>11</sup>

The Environmental Investigation Agency, in 2017, pointed out the case of Austrian timber giant Holzindustrie Schweighofer as, “the most recent example of PEFC’s inability – or unwillingness – to act against a member company in the face of clear and undeniable evidence of extensive sourcing of illegal timber.”<sup>12</sup>

## EU Timber Regulation

In 2013, the EU Timber Regulations (EUTR) came into force, making it illegal to place, on the EU market, timber that has come from illegal sources. According to the EU’s 2018 report, “Almost all countries comply with the EUTR.” This was not always the case. In July 2014, there were 18 non-compliant Member States but, by June 2015, this was reduced to only four. However, despite this progress, “continuous efforts are needed to ensure a uniform and effective application of the EUTR across countries.”<sup>13</sup> There are also certain products that are omitted from the legislation, including books and musical instruments. These legal loopholes allow timber from illegal sources to creep onto the market.

The Timber Retail Coalition was founded in 2010 by European retailers Kingfisher, Marks & Spencer, IKEA and Carrefour Group. It seeks to raise awareness and support clear and pragmatic regulations and legislation to ensure that timber and timber products in European markets are legal, responsibly sourced and sustainable.

## WWF Campaign

In 2014, the World Wildlife Fund (WWF) launched its Forest

Campaign which aimed to make responsible forest trade the norm in the UK market. This included asking companies to pledge to source 100% of their timber from “sustainable” sources by 2020.

Among the companies in this guide, those that have publicly made this commitment are: IKEA, John Lewis, B&Q, J Sainsbury Plc, Marks & Spencer, and Nobia AB, while Oak Furniture Land’s commitment is by 2022. However, it should be noted that included in the WWF’s definition of “sustainable” is wood that comes from the “PEFC or other certification scheme”.

Since 2015, the WWF has published its biannual Timber Scorecard which assesses 128 UK retailers on their timber-buying policies. The 2017 scorecard showed an almost even split: “whilst half the companies we reviewed are on the journey to being fully sustainable for their timber products and progressing well, the other half has failed to take appropriate action, and need to change swiftly and meet their responsibilities to sustainable trade.”<sup>14</sup> These findings are supported by our own research, as the Timber table shows.

## Cotton

Another key material used in furniture is cotton, which throws up a host of issues. According to Anti-Slavery International (ASI) website, Uzbekistan and Turkmenistan were two of the world’s largest exporters of cotton, and every year their governments forcibly mobilise over one million citizens to grow and harvest cotton.<sup>15</sup> There is, therefore, a high likelihood of a company using cotton

produced under forced labour.

The majority of cotton production also entails the use of toxic and harmful chemicals. According to the Organic Trade Association, in July 2018 cotton covered roughly 2.78% of global arable land but accounted for 12.34% of all insecticide sales and 3.94% of herbicide sales.<sup>16</sup> Genetically modified (GM) cotton is

also pervasive, accounting for 80% of cotton grown in 2017, according to the International Service for the Acquisition of Agri-Biotech Applications (ISAAA), a non-profit pro biotech organisation.<sup>17</sup>

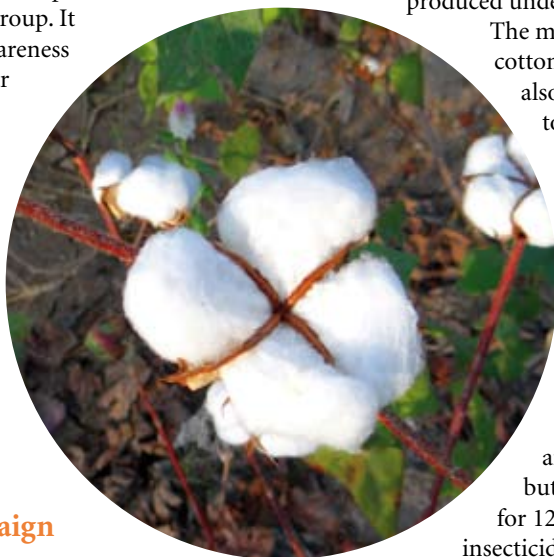
With the prevalence of these ethical concerns in cotton production, we expected furniture companies to have a robust cotton sourcing policy. As companies focusing purely on fitted kitchens, Magnet, Gower and Wren Kitchens were not found to be using cotton, so were not expected to have such a policy. Of the companies using cotton, only Green Woods received our best rating for its cotton sourcing as all its cotton products, namely bedding and mattresses, were certified by the Global Organic Textile Standard (GOTS), thereby guaranteeing not only that the cotton was organic, but also that it was not produced using forced labour.

Most companies had inadequate or no policies around cotton. Only IKEA, Marks & Spencer and Next guaranteed that they did not source cotton from Uzbekistan and Turkmenistan. Of the larger companies, IKEA had the most impressive cotton sourcing policy and came first place in 2017 in the Sustainable Cotton Ranking, followed by Marks & Spencer which came fourth.<sup>18</sup> The Sustainable Cotton Ranking is a yearly report, released by WWF, PAN UK and Solidaridad, which assess the performance of 75 of the largest cotton-using companies across the globe. For more on cotton, see our in-depth report: [www.ethicalconsumer.org/fashion-clothing/ethics-cotton-production](http://www.ethicalconsumer.org/fashion-clothing/ethics-cotton-production)

## Leather

Use of leather is common in the furniture trade, with most companies in this guide offering leather products such as sofas. A common argument is that leather is merely a by-product of the meat industry; however, this is not entirely true. While most of a cow’s monetary value comes from the sale of its meat, its hide does account for about 10%.<sup>19</sup> The global value of leather goods is also far from insignificant: in 2016 the market was worth approximately \$217 billion.<sup>20</sup> To purchase leather is to contribute to an industry that is responsible for the death of countless numbers of animals each year.

Although it may appear that leather is a natural product and therefore one with little environmental damage, this is not the case. The negative environmental impact comes not only from the effects of cattle farming, but also the cocktail of





harmful chemicals used in its production. These include formaldehyde, arsenic and cyanide. Workers in tanneries often work with minimal protection from these harmful chemicals and suffer greatly as a result.<sup>21</sup>

All companies using leather were marked down under the Animal Rights category. Only a few companies had leather sourcing policies, and several, such as John Lewis, J Sainsbury Plc and Marks & Spencer collaborate with the Leather Working Group, a multi-stakeholder group that aims to promote sustainable and appropriate environmental business practices within the leather industry. IKEA has taken steps to map the whole of its leather supply chain and, since 2016, has ensured that chrome, a toxic chemical often used in the tanning process, was not used in the creation of any of its leather products.

For some companies, such as Futon Company, Myakka, and Sustainable Furniture, leather was only a very small part of their business and was found in only a few products. Green Woods Furniture did not sell any products containing leather.

For more on the ethics of leather see our shoe guide: [www.ethicalconsumer.org/fashion-clothing/shopping-guide/shoes](http://www.ethicalconsumer.org/fashion-clothing/shopping-guide/shoes)

## Flame retardants

All domestic sofas and mattresses in the UK need to comply with the most stringent fire-safety regulations in the world. Surely a good thing, right? On the contrary, government regulation in this sector is a prime illustration of the law of unintended consequences, or rather, the unintended consequences of the law. In order to comply with regulations, most manufacturers treat fabrics and fillings with a host of toxic chemicals, particularly those under the umbrella of brominated flame retardants (BFRs), which are considered the most harmful.

While these chemicals are meant to prevent ignition and slow the rate at which fire spreads, research has found that their

effectiveness is negligible and the smoke they produce far more toxic.<sup>22</sup> After the Grenfell Tower Fire, a dozen residents were treated for cyanide poisoning.<sup>23</sup> But the problems do not stop there. As flame retardants are semi-volatile, they are always seeping out of your sofa, and from there they find their way into the bodies of humans and wildlife. These chemicals have been linked to numerous health problems, including cancer.<sup>24</sup> That breast milk from women in the UK contains the highest levels of flame retardants in the world is a telling indication of this.<sup>25</sup>

UK furniture remains far more toxic than furniture from the US or the EU, where regulations are designed to make flame retardants less necessary. For example, the UK is the only country in the world to require a separate furniture fillings test, meaning that more flame retardants have to be added into the body of a UK sofa than its European counterpart.<sup>26</sup>

So why does the UK lag behind when it comes to reducing the toxicity of furniture? According to Terry Edge, former head of the review of UK furniture regulations, corporate power is trumping the concerns of citizen safety:

“The hugely powerful chemical industry is manipulating UK law so that their products get into our sofas and mattresses in huge amounts – around 30-50 kgs per household (not counting those in carpets, curtains and electrical goods).”<sup>27</sup>

## So how do you avoid harmful flame retardants?

Avoiding all flame-retardant chemicals is near-impossible in the UK. If you are desperate to do so, you could buy products

that are 100% organic and natural, such as mattresses from Green Woods Furniture, which are handmade in the UK and “free from any added chemical flame retardants.”<sup>28</sup> However, as furniture and mattresses still need to meet regulations, make sure you buy from a supplier you trust, as it is quite common, claims Terry Edge, for manufacturers to cheat: “they either use flame retardants and lie about it or they do not test their fillings to the correct test.”<sup>29</sup>

IKEA leads the way when it comes to policies around flame retardants, with the vast majority of companies saying very little, if anything on the issue. The company strives to refrain from the use of any flame retardants in its furniture, instead favouring techniques and materials with flame retardant properties. It is the only company in the guide to have phased out all BFRs, considered the most toxic flame retardants, from its furniture. Although, for its UK furniture, it still uses some harmful flame retardants in order to comply with regulations.

If purchasing a sofa, you can avoid the worst flame retardants in cover fabrics by purchasing those with a Schedule 3 interliner, a special fire-resistant material placed between the outer cover and the filling material. But be aware, there will still be flame retardants in the fillings. Or you can buy from outside the UK, bite the bullet when it comes to the delivery charge, and rest a little easier knowing that your sofa may not be as dangerous as it could be. For more information, see

Terry Edge’s website, [ToxicSofa.com](http://ToxicSofa.com).



Tannery worker in Morocco.



## Companies behind the brands

Founded by Ingvar Kamrad in Sweden in 1943, **IKEA** has grown to be one of the world's best-known furniture brands, with 422 stores across the globe and revenues of €38.8 billion in 2018.<sup>30</sup> Despite its gargantuan size, IKEA remains a privately-owned business and, although its founder died in early 2018, the Kamrad family is still at its heart.

IKEA is essentially split into two entities, which are, at least from a legal standpoint, completely separate: the IKEA Group, (owned by the Netherlands-based Stichting Ingka Holding BV); and the Inter IKEA Group (owned by the Liechtenstein-based Interogo Foundation). Inter IKEA is the owner of the IKEA concept, and sells the IKEA brand to franchises worldwide, the biggest of which is the IKEA Group. Think this all sounds a bit dodgy? You would not be the first.

IKEA's complex structure has been a focal point for accusations of tax avoidance. A 2016 report, *IKEA: Flat Pack Tax Avoidance*, commissioned by the Greens/EFA Group in the European Parliament, accused IKEA of avoiding an estimated €1 billion in missing tax revenues over the period 2009-2014.<sup>31</sup> In December 2017, the EU launched an in-depth investigation into the company's tax affairs.

**Steinhoff International** is the multinational conglomerate behind Bensons for Beds and Harveys. The company received our best rating for its timber sourcing policy but, like many of the larger companies, lost a mark under the Anti-Social Finance category for likely use of tax avoidance strategies. The company owns a plethora of brands across the world, including Poundland in the UK.

2017 saw Steinhoff International thrown into the public eye as major accounting irregularities were exposed and €14 billion was wiped from its market value.<sup>32</sup> The company continued to face difficulties throughout 2018, with a group of law firms in South Africa launching a class-action lawsuit on behalf of shareholders, which could potentially run to R185 billion (£10.45bn).<sup>33</sup>

**BrightHouse** is a company that sells a range of products on a rent-to-buy basis. The company claims that this model allows customers "the choice of top branded products, cutting-edge technology and essential household goods at affordable weekly prices."<sup>34</sup> However, high rates of interest mean that customers end up paying back vastly more than the original price of a product, leading to accusations that the company has preyed on the poor and vulnerable. In October 2017, the Financial

Conduct Authority ordered BrightHouse to pay back £14.8 million to around 250,000 customers as the company had not been a "responsible lender".<sup>35</sup>

Although few would expect to find Her Majesty The Queen in one of BrightHouse's 270 UK stores, the Panama Papers, published in November 2017, revealed that Mrs Windsor, through the Duchy of Lancaster, actually held investments in the company.<sup>36</sup>

The Duchy's investment choice was not controversial solely because of BrightHouse's lending practices, but also because the company had limited its tax bill by loaning large amounts of money to a Luxembourg holding company. Between 2007 and 2014, BrightHouse paid only £6 million in corporation tax, despite reporting revenue of £1.6 billion and operating profits of £191 million.<sup>37</sup> According to the company's 2017/18 accounts, BrightHouse TopCo – the ultimate parent company, is registered in Jersey, a country known not only for its high-fat cow's milk, but also for its low tax rates.

In 2016, Argos and Habitat were acquired by **J Sainsbury Plc**, which itself is 22% owned by the Qatar Investment Authority, a sovereign wealth fund of the Qatari Government. The wealth fund is rumoured to own more land in London than the Queen and, in 2017, had a global portfolio worth about \$335 billion.<sup>38</sup>

The near future may well see Sainsbury's merge with rival Asda, a move which would create the UK's largest supermarket chain. The proposed merger is currently being assessed by the Competition and Markets Authority. If the deal goes ahead, Walmart, the current owner of Asda, would hold a 42% stake in the combined business.<sup>39</sup>

**Green Woods Furniture** is a small Bristol-based company that sells UK-made furniture, all made to measure. Around half of its furniture is made from reclaimed wood, while the rest of its timber comes from certified UK timber merchants, either with FSC, PEFC or CSA certification. It also sells a range of mattresses and bedding, all of which is certified organic.

**Myakka** is small company from Somerset, which sources the majority of its furniture from India. Since its beginning, fair trade ethics have been at the heart of the business. It has been a member of the British Association for Fair Trade Shops & Suppliers, itself a member of the World Fair Trade Organisation, since 2006. In 2017, 95% of its products were from fair trade origins, and it is working hard to get to 100%. For those of you wondering why 'fair trade' is not capitalised here, it is because the Fair Trade Foundation primarily covers foodstuffs and does not cover furniture.

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# Green Furniture Directory

*The most environmental choice when it comes to furniture is to buy second-hand, repair or upcycle, or make it from scratch – provided you use reclaimed or recycled wood.*

## Second-hand

Here are a few places to start your search:

### Antiques

Antiques have long been regarded for their aesthetic value, but they are also an environmentally friendly option. Antiques Are Green was founded in 2009 in order to promote the green credentials of antiques, and now has over 1,500 antiques and vintage businesses in its network. See their website for a list of antiques fairs and auctions near you: [www.antiquesaregreen.org](http://www.antiquesaregreen.org)



### Charity shops

With shops all around the UK dedicated to second-hand furniture and other household items, it is easy to pick up an ethical bargain while also contributing to a good cause. The British Heart Foundation operates widely but continues to test on animals for its research.<sup>40</sup>

### Reuse Network

This large network is aimed at reducing poverty, tackling waste and offering a brighter and better future for the most isolated individuals in society. Find a reuse centre near you where you can source affordable furniture and other goods: [www.reuse-network.org.uk](http://www.reuse-network.org.uk)

### Freecycle

Unbeatable for free furniture and other treasures: [www.freecycle.org](http://www.freecycle.org)

### Preloved

Second hand furniture for sale, or sometimes for free: [www.preloved.co.uk](http://www.preloved.co.uk)

### Upcycling

Upcycling is the word of the moment in the furniture world. For those who didn't pay enough attention during their school design technology classes, there are many independent upcyclers around the country. For a directory, see: [www.upcycledhour.co.uk](http://www.upcycledhour.co.uk)

## Reclaimed & recycled

For those keen to upcycle their own furniture, or start completely from scratch, we recommend using as much reclaimed and recycled timber as possible.

The National Community Wood Recycling Project was founded in 2003 to help set up and develop a nationwide network of wood recycling social enterprises. It aims to save resources by rescuing and re-using waste timber, and create sustainable job, training and volunteering opportunities for local people.

For information about where you can buy reclaimed wood or recycle your excess wood, see: [www.communitywoodrecycling.org.uk](http://www.communitywoodrecycling.org.uk)

## Leave the label on!

Any furniture that does not have a fire-safety label cannot be resold in the UK. Around 50% of sofas end up in landfill because they do not have this label.<sup>41</sup> So, even if it looks a little ugly, do not cut it off, or your sofa will likely find itself as part of landfill – which is far uglier!

## Full Grown

Full Grown produces furniture like no other. Instead of being composed of different pieces of timber chopped to size and pieced together, the furniture is harvested from the ground, already fully formed. Over several years, Gavin Munro and his team guide and manipulate trees, usually willow, into amazing forms and configurations: chairs, tables, lampshades. The final piece, each of which is one of a kind, is more of a work of art than a functional object.

The 'quickest' way to acquire a piece is to commission one, but with orders for chairs booked up until 2029, you will have to exercise some patience. Although at £5000 for a single chair, the decade waiting time will give you the chance to start saving up the pennies. In early 2019, the company will unveil its 'Shares for Chairs' opportunity. For details, see: [www.fullgrown.co.uk](http://www.fullgrown.co.uk)



# Can we trust the Forest Stewardship Council?

*Simon Counsell, Executive Director of Rainforest Foundation UK and contributor to FSC-Watch, examines what FSC certification really means.*

When I helped set up the Forest Stewardship Council (FSC) in the early 1990s, the aim was to try and establish an 'eco-labelling' scheme that would allow consumers to distinguish wood and paper products derived from sustainable and ethically acceptable sources, from those where forests were being destroyed. The indications were that very few products would qualify for a label in the short to medium term, because truly sustainable management of forests for wood was very much the exception rather than the rule.

Now, 25 years later, there are tens of thousands of products carrying the FSC's 'Seal of Approval'. The 'tree-tick' logo has become one of the most ubiquitous of the eco-labels and can be seen everywhere from packets of toilet paper to magazines and Ikea furniture. Does this mean that there has been a miraculous improvement in how timber companies, and paper and furniture manufacturers, source their raw material? Are there really now hundreds of millions of acres of forests and woodlands worldwide under careful, sustainable, management?

Sadly, no. There is little hard evidence that forestry practices worldwide have significantly improved over the last two decades. The surprisingly few truly independent studies have shown that FSC-certified companies have marginally better standards for things such as working conditions for employees. Some FSC-certified companies in places such as Canada and Scandinavia (from where the UK obtains the vast majority of its imported wood) have made slight changes to their conservation practices. But the basic nature of the companies' practices has remained the same. Almost on a monthly basis for the last two decades, there have been exposés and scandals about FSC-certified wood being shown to come from illegal sources, or areas where forests are being destroyed or other severe environmental damage is occurring, or where companies are acting

in blatant disregard for international agreements on, for example, the rights of indigenous peoples. A major documentary investigation for the German-French TV channel ARTE in 2018 revealed abuses of the FSC system from Brazil to Russia and the Congo to Cambodia.

## So, what has gone wrong?

A key problem has been the way the FSC is organised and does its business. The FSC itself does not carry out eco-audits of forestry operations or timber companies. Instead, this is done by any of the dozens of private certification companies 'accredited' by the FSC, who are contracted and paid for directly by the companies seeking certification for their products. The certification companies are competing for business. The lucrative contracts for certification assessments are more likely to go to the assessors known to be lenient or lax, rather than those who are likely to find fault and reject a certification request. In a sense, the certifiers are thus engaged in a 'race to the bottom' of certification standards.

The FSC and a linked organisation are supposed to oversee the certification companies and ensure they are following the rules, and genuinely assess the loggers for compliance with the FSC's mostly sensible 'checklists' of sustainability. But they have consistently failed to do so and, in fact, the FSC is almost powerless to really control the certification companies, which carry on with impunity in issuing certificates to non-compliant timber companies. Some of the largest certification companies have repeatedly fallen foul of the FSC's requirements – issuing sustainability certificates to companies involved in wrecking critical wildlife habitats, or engaged in illegal logging, for example – yet remain within the FSC system.



## The small print

Meanwhile, the 'small print' on FSC's product labels – of which there are several different kinds – needs ever-closer inspection. Many product lines carrying the 'FSC Mix' logo may contain absolutely no wood or paper that comes from a certified forest. The 'FSC Controlled Wood' label means that the source of the product material has not actually been physically inspected or assessed, just that a desk exercise has been carried out to assess the risk that the material might have come from an egregiously bad source, such as an illegal logging operation or from indigenous lands.

## What should the ethical consumer do?

What this all means is that it is now impossible to be sure that a product carrying an FSC logo really does come from a forest source that is 'environmentally acceptable, socially beneficial and economically sustainable'. This does not make the ethical purchase choice of wood and paper products any easier. However, as a general rule, a sensible approach is to:

1. choose re-used or recycled materials preferentially,
2. Choose those known to come from local (that is, UK) sources, or from nearby in Europe, where forestry practices tend to be well regulated by governments,
3. Choose 'FSC 100%' labelled products if none of the first preferences is available.



# Coffee makers

*Joanna Long and Tim Hunt take a look at the main brands, from pod and espresso machines to cafetières and stove-top percolators.*

In the last decade coffee has become less of an everyday commodity and more of an 'artisanal' product, with many drinkers considering themselves connoisseurs. Companies have cultivated and capitalised on this trend with a profusion of devices to enable people to supposedly make the perfect cup of coffee at home.

The last time we covered coffee makers in 2010, the fanciest machine on offer was an espresso or cappuccino maker and about 5% of people had one, while 17% had a filter machine.<sup>1</sup> Today, around 22% of British households have an espresso or filter machine and a third have a pod coffee machine.<sup>2</sup>

After several years of explosive growth driven by pod devices, the coffee machine market has plateaued. This is probably due to a combination of factors: market saturation, dawning awareness of the environmental impacts of pods, lack of space in kitchens for yet another small appliance, and moneyed connoisseurs seeking to liberate themselves from the Nespresso capsule menu by upgrading to bean-to-cup machines.<sup>3</sup>

Elaborate coffee-making contraptions are not a new thing, apparently.

## Rage against the machine

Quite apart from the environmental problems with coffee pods, which we cover in our guide to coffee, complex coffee machines consume lots of materials in their manufacture.

A compact pod machine, such as the Krups Dolce Gusto Oblo is mostly plastic and weighs around 2.5kg, while a larger De'Longhi pod and ground coffee



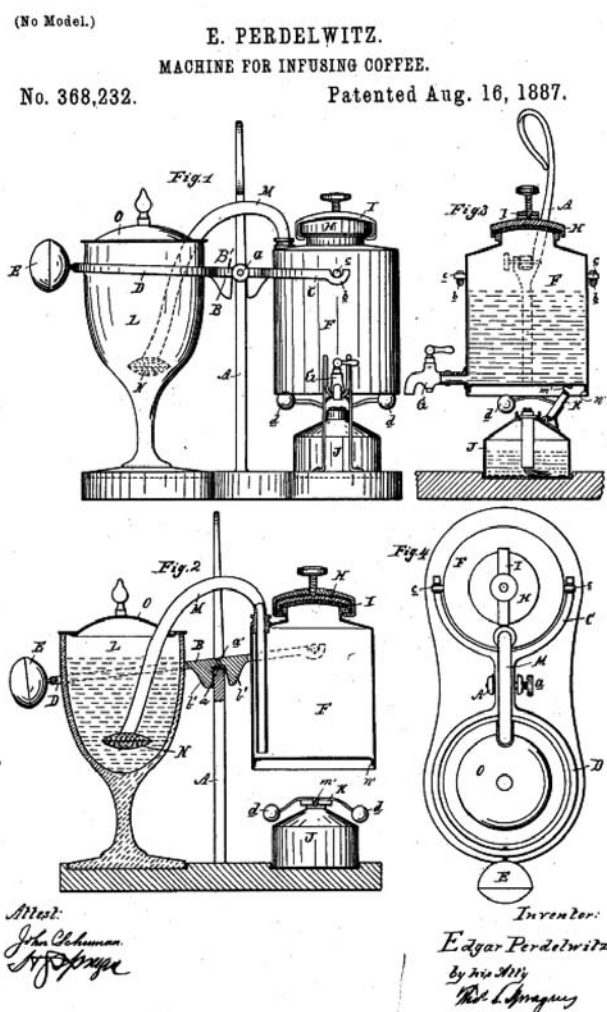
machine uses steel and plastic to the tune of 4.1kg. An espresso machine like the Sage Barista express bean-to-cup machine comes in at a whopping 10.6kg of steel and plastic. In contrast, a Bialetti Moka Express stove-top coffee maker is around 700g of aluminium, plastic and rubber.

Because of this excessive use of resources, we recommend that if you're interested in buying an electric coffee machine and reducing environmental impacts then second hand will be better than buying new.

## Repairs and recycling

Fortunately most machines are repairable, either within warranty via the manufacturer or out of warranty through a third party servicing company (see table on page 27). Replacement parts are also often available online. If your machine is beyond repair, you can return it to the manufacturer or take it to the small appliance section of your local recycling centre.

Replacement parts are also available for most cafetières and stove-top coffee makers. Note, however, that glass cafetière parts cannot be put in your normal glass recycling, rather you should take them to your local recycling centre. The reason is that the glass will be heat-proof borosilicate glass, which doesn't melt at the same temperature as regular bottles and jars. If borosilicate glass gets mixed up with regular glass it can lead to that batch of recycling being rejected.



## USING THE TABLES

**Ethiscore:** the higher the score, the better the company across the criticism categories.

- = worst rating,
- = middle rating,
- empty = best rating (no criticisms).

## USING THE TABLES

**Positive ratings (+ve):**

• **Company Ethos:**

- ★ = full mark,
- ☆ = half mark.

• **Product Sustainability:**  
Maximum of five positive marks.

BRAND	Ethiscore (out of 20)	Environment					Animals		People				Politics			+ve		COMPANY GROUP		
		Environmental Reporting	Climate Change	Pollution & Toxics	Habitats & Resources	Palm Oil	Animal Testing	Factory Farming	Animal Rights	Human Rights	Workers' Rights	Supply Chain Management	Irresponsible Marketing	Arms & Military Supply	Controversial Technologies	Boycott Call	Political Activity		Anti-Social Finance	Company Ethos
Bialetti	12	●									●									Bialetti Holding SRL
Lavazza	11.5	●			●				○											Finlav SpA
Ninja	11.5	●		○							●									Euro-pro Holdco
La Cafetière, Le'Xpress	11	●									●						●			Lifetime Brands Inc
Miele	9.5	○		●	●				●		○						○			Miele & Cie KG
Bodum	9	●		●	●					●	●									Bodum AG
Dualit	9	●		●	●					●	●									Dualit Ltd
Melitta	9	●		●	●					●	●									Melitta Group
Smeg	9	●		●	●					●		●								Smeg SpA
Krups	8.5	○		●	●					●		●					●			Groupe SEB
Morphy Richards	8.5	●		●	●					●	○	●								Glen Dimplex Group
De'Longhi	8	●		●	●					●		●					●			De'Longhi Industrial SA
Judge, Stellar	7	●		●	●		●		○	●		●			○					TTK Prestige Ltd
Beko	6.5	○	●	●	●					●		●		○			○	●		Arçelik Group/Koç Holding
Bosch	6.5	●	○	●	○					●		●		○			●	●		Robert Bosch Stiftung GmbH
Braun	5.5	●		○	○	●	●			●	○	●					●	●		Procter & Gamble/De'Longhi
KitchenAid	5.5	○		●	●					●	●	●	●				●	●		Whirlpool Corporation
Sage	5	●	○	●	●					●	○	●		○	○		●	●		Breville Group/HSBC
Breville	4.5	●		●	●				○	●	●	●		○	○		●	●		Newell Brands/Vanguard Grp
Russell Hobbs	4.5	○		●	○		●	●	●	●		●			○		●	●		Spectrum Brands/HRG Grp
Cookworks	3	○	●	●	●		○	●	●	●	●	○	●		○			●		J Sainsbury Plc
Nespresso	1		○	●	○	●	●	●	●	●	●	○	●		○	●	●	●		Nestlé SA

See all the research behind these ratings on [www.ethicalconsumer.org](http://www.ethicalconsumer.org). For definitions of all the categories go to [www.ethicalconsumer.org/our-ethical-ratings](http://www.ethicalconsumer.org/our-ethical-ratings)

## Table highlights

Given that many coffee makers are electrical appliances, companies manufacturing these were rated for their policies on the use of conflict minerals and toxic chemicals. The picture wasn't pretty: every company that was assessed received a worst rating, except Braun, which managed a middle. Bialetti and La Cafetière/Le'Xpress were not rated as they do not make electrical appliances.

Indeed, 'highlights' is a misnomer for this section given that all companies performed so poorly across the board and the top scorers only scraped double digits because their products weren't electrical appliances.

There was nearly a clean sweep of worst ratings for the management of workers rights in supply chains, with only Lavazza

bucking the trend with its top rating whilst Miele, Cookworks and Nespresso got a middle rating.

Only Nespresso managed a best rating for environmental reporting, while six other companies managed a middle (Miele, Krups/Groupe SEB, Beko/Arçelik Group, KitchenAid/Whirlpool, Russell Hobbs/Spectrum Brands, Cookworks/J Sainsbury). Everyone else received a worst rating.

Many companies lost marks in other categories by dint of being owned by large conglomerates. Beko, for example, lost a whole mark under climate change because the brand is 40% owned by Koç Holdings, which is involved in fossil fuels and has an airline subsidiary. Beko, Bosch, Sage and Breville also lost half a mark each under Arms and Military Supply because other companies in their group sell equipment,

vehicles, communication systems and other services to armed forces around the world.





## Company behind the brand

**Koç Holdings**, which owns 40% of Arçelik Group (Beko brand) is one of Turkey's largest companies and is controlled by members of the obscenely wealthy Koç family. It is involved in three high climate impact sectors: automobiles, airlines and fossil fuels. It also has subsidiaries providing armoured vehicles and information technologies to the Turkish military and other armed forces, with its products promoted as having been used under UN and NATO flags.<sup>4</sup>

Koç Holdings has operations in seven countries considered by Ethical Consumer to be governed by oppressive regimes: China, India, Pakistan, Russia, Swaziland, Thailand and Vietnam. It has multiple high risk subsidiaries in jurisdictions on our tax haven list and it is a member of the World Economic Forum and Bilderberg Group, lobby groups which have been criticised for exerting undue corporate influence on policymakers in favour of market solutions that are potentially detrimental to the environment and human rights.

## Who makes what?

Brand	Ethicscore	Repair service/ spare parts	Bean-to-cup machine	Espresso machine	Filter machine	Nespresso machine	Pod machine	Pour-over filter	Cafetière/ French press	Stove-top percolator
Bialetti	12	Spares						✓	✓	✓
Ninja	11.5	Spares			✓					
Lavazza	11.5	Limited*					✓			
La Cafetière, Le'Xpress	11	Spares						✓	✓	✓
Miele	9.5	Repair	✓							
Dualit	9	Repair					✓			
Smeg	9	3rd party	✓	✓						
Melitta	9	3rd party	✓		✓					
Bodum	9	Spares						✓	✓	✓
Krups	8.5	Repair	✓			✓				
Morphy Richards	8.5	N			✓					
De'Longhi	8	Repair	✓	✓	✓	✓	✓			
Judge	7	N							✓	
Stellar	7	N							✓	✓
Bosch	6.5	Repair	✓				✓			
Beko	6.5	Limited*		✓	✓					
KitchenAid	5.5	Limited*				✓				
Braun	5.5	N			✓					
Sage	5	Limited*	✓	✓		✓				
Russell Hobbs	4.5	Spares			✓					
Breville	4.5	Limited*	✓				✓			
Cookworks	3	N			✓					
Nespresso	1	Repair				✓				

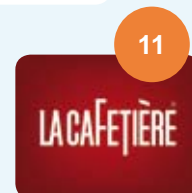
\*Company may provide some technical assistance via a helpline or FAQs page or it has a limited network of service centres or limited range of spare parts available or will only repair large appliances or encourages exchanging faulty items rather than repairing them.

**Bean-to-cup machines** = all-in-one machines which you fill with beans, water and milk, and then just press a button. **Espresso machines** = like the machines you get in barista coffee shops using ground coffee which you pack into the tamper. **Pour over** = a method of brewing coffee by manually pouring boiling water through a filter filled with ground coffee. Can use fine mesh metal filter or paper filter.

### RECOMMENDED

Simple, non-electronic coffee makers have a lower environmental impact.

**Bialetti, La Cafetière and Le'Express** make stove-top espresso pots, cafetieres and pour over filters.



If you really want an electric machine, **Miele's bean-to-cup** machines also score well but prices start at £799.



**Lavazza** also scores well and is the only company to get a best rating for workers' rights in its supply chain but it only makes pod machines which we are not recommending because of their use of individual, often plastic, packaging.

**Ninja** does a filter machine but scored worst for workers' rights.

### BRANDS TO AVOID

**Nestlé (Nespresso)** – this is the company responsible for the boom in pod machines and remains under a boycott call by Baby Milk Action for its marketing of milk powders in developing countries.

**Spectrum Brands (Russell Hobbs)** – in addition to its poor environmental, supply chain and conflict minerals ratings, the company also owns pet food brands Eukanuba and Iams, whose products contain factory farmed meat.

**References:** 1 EC126 2 Mintel, Coffee – UK – September 2018 3 Mintel, Small Kitchen Appliances – UK – November 2017 4 www.koc.com.tr, viewed 17 October 2018

## Carbon divested funds: financial performance

Carbon divested fund	5 year cumulative performance to 30/1/2019	Ethiscore as of June 2018
Janus Henderson Global Sustainable Equity Fund	67.8	6
Sarasin Sustainable Equity Real Estate	63.2	7.5
WHEB Sustainability	69.6	16
Triodos Sustainable Pioneer	42.9	15.5
Jupiter Ecology	35.9	6.5
Aviva Liontrust Sustainable Future European Growth	34.6	7
Castlefield BEST Sustainable Income Fund	17.4	15
Quilter Cheviot Climate Assets	Data unavailable	4
Standard Life Equity Impact Global	n/a (fund is less than 5 years old)	3.5
IA Global (for comparison)	54.4	

Data from trustnet.com

## Insurers pull support for coal mine

In December, the Unfriend Coal campaign revealed that ten of the world's foremost insurance companies had announced that they will not underwrite the development of the controversial Carmichael coal mine in Australia.

The companies were AXA, Scor, FM Global, QBE, Suncorp, Allianz, Munich Re, Swiss Re, Zurich, and Generali.

The campaign is trying to pressure insurance companies to refuse to underwrite coal projects. Coal is the most damaging fuel for the climate, and must be phased out fast if the world is to stabilise temperatures.

73 organizations representing a membership of more than 76 million people sent an open letter to 30 leading insurers calling on them to rule out insuring the mine. Coal burned over the lifetime of the mine would emit 4.6 billion tonnes of CO<sub>2</sub>, equivalent to more than eight years of Australia's annual greenhouse gas emissions. Sixteen insurers with no policies on coal insurance have yet to respond.

For more information see the Unfriend Coal website <https://unfriendcoal.com>

## Oil companies face more shareholder action

Dutch shareholder activist group Follow This is working to file shareholder resolutions with BP, Shell and Norwegian company Equinor in 2019. They are asking the companies to start recording the carbon impacts of customer's use of their fuels and to set reduction targets in line with the Paris agreement. You can go on their website at <https://follow-this.org/en> and join in by buying a single share.

These resolutions are being co-ordinated with US groups As You Sow and Arjuna Capital, which are focussing on Chevron and Exxon. Although such resolutions are unlikely to receive majorities, the weight of their moral argument was noted as a key factor in recent changes of policy in this area by Shell.



## Save Our Bank news

The Customer Union for Ethical Banking, an Ethical Consumer spin-off project, has begun a drive for recruitment of new members. Its social media campaign features some of the more arresting images the Co-op Bank used in its ethical campaigns, to remind people why they may have signed up for a Co-op account in the first place. It is also asking supporters to see whether they have any copies of old Co-op Bank ads lying around and which they may be able to send in.

The Union is making good progress on setting up a more 'structured engagement' with the Bank in the form of a regular schedule of meetings.

## Banks still financing fossil fuels

Since last Issue, a further wave of reports have criticised the ongoing role of mainstream banks in financing fossil fuel developments:

- Greenpeace Switzerland linked Credit Suisse and UBS to 183m tonnes of carbon emissions in a January 2019 report.
- The Dutch campaign group Banktrack was decidedly underwhelmed by Barclay's 2019 'energy policy review' which it described as 'shot through with holes'.
- On a positive note, a third report tells how the refusal of banks to lend to new coal power stations in Australia is currently preventing further development.





# Ethical Innovative Finance ISAs



An Innovative Finance ISA could help fund a project like this – Orbital Marine Power in Orkney – the world's most powerful floating tidal stream turbine – an Abundance crowdfunded project.

www.abundanceinvestment.com

*Tim Hunt and Jane Turner investigate six providers of ethical 'Innovative Finance ISAs' which means crowdfunding loans can be made tax-free.*

## Crowdfunding

Much has been made of the impact of crowdfunding especially in the light of the banking crisis of 2008. According to the European Central Bank, the availability of bank loans to SMEs declined 23% immediately following the crash.

The crowdfunding revolution that sprung up as a result of the rise of the internet may not have completely filled this funding gap, but has led to what some call the democratisation of capital, allowing people to invest with greater ease. It allows organisations to raise finance at reduced interest rates, and also breaks down some of the power once held by larger financial institutions and even governments that had something of a monopoly on finance.

We can see this most clearly in the markets for alternative energy and social housing which have had some success under the crowdfunding model despite a lack of consistent help from governments. Abundance, one of the companies in this report and a well-known innovator in this space, was instrumental in the creation of the idea of Innovative Finance ISAs, which were launched in 2016. Why, they reasoned, should the tax advantages of a stocks and shares ISA not also be available to people wanting to invest ethically into smaller community-oriented projects?

## What is an Innovative Finance ISA?

Innovative Finance ISAs are a type of tax-free savings account (like a stocks and shares ISA or a cash ISA). As mentioned above, an IFISA contains peer-to-peer loans – that is loans directly to businesses, social enterprises or co-operatives through crowdfunding platforms. With an IFISA, you make loans and get interest payments. You do not invest in companies and get shares or equity. The UK government has indicated that IFISA participation had topped £290 million during the 2017/18 tax year, or 8 times more than the 2016/17 figure of £36 million.

They are a great option for ethical investors who are looking for transparent investments. This is because you usually invest directly in a project and can see exactly where your money is going rather than into a mutual fund or a unit trust. They are also great for ordinary savers because the minimum sums you can 'invest' are usually really low. Abundance allows you to invest as little as £5 and Energise Africa's minimum investment is £50. This makes small direct ethical investments accessible to most people. They tend to offer better returns for those who are willing to take some risk.

## USING THE TABLES

**Ethiscore:** the higher the score, the better the company across the criticism categories.

- = worst rating,
- = middle rating,
- empty = best rating (no criticisms).

## USING THE TABLES

**Positive ratings (+ve):**

• **Company Ethos:**

- ★ = full mark,
- ☆ = half mark.

• **Product Sustainability:**  
Maximum of five positive marks.

USING THE TABLES		Ethiscore (out of 20)	Environment					Animals			People				Politics			+ve		USING THE TABLES		
Ethiscore: the higher the score, the better the company across the criticism categories. ● = worst rating, ○ = middle rating, empty = best rating (no criticisms).			Environmental Reporting	Climate Change	Pollution & Toxics	Habitats & Resources	Palm Oil	Animal Testing	Factory Farming	Animal Rights	Human Rights	Workers' Rights	Supply Chain Management	Irresponsible Marketing	Arms & Military Supply	Controversial Technologies	Boycott Call	Political Activity	Anti-Social Finance	Company Ethos	Product Sustainability	Positive ratings (+ve): ● Company Ethos: ★ = full mark, ☆ = half mark.  ● Product Sustainability: Maximum of five positive marks.
BRAND																						COMPANY GROUP
Abundance	15																		★		Abundance Investment	
Ethex	15																		★		Ethex Investment Club	
Energise Africa	15																		★		Ethex Investment/Hands On	
Triodos Crowdfunding	15																			★		Triodos Bank
Downing Crowd	9.5	●	○	○					○	○	○				○			○				Downing LLP
Goji Renewables	5	●	○	○	○	○	○	○	○	○	○		○	○	○	○	○	○	●			Goji Holdings/Prestige Funds

See all the research behind these ratings on [www.ethicalconsumer.org](http://www.ethicalconsumer.org). For definitions of all the categories go to [www.ethicalconsumer.org/our-ethical-ratings](http://www.ethicalconsumer.org/our-ethical-ratings)

## Platforms and projects

Projects seeking crowdfunding will tend to issue a call or campaign to raise a specific sum within a fixed period. Typically a fundraising call might last for around two or three months before it closes.

If Ethical Consumer were to try to write a product guide to specific IFISA projects then it would be out-of-date soon after we were published. In this guide we are therefore focussing on organisations which help projects launch crowdfunding campaigns. For simplicity we will call these organisations 'platforms' since websites are usually at the centre of how they work.

There are quite a few Innovative Finance ISA platforms currently operating on the market. Many of them lend to property developments like pubs and hotels or to small and medium-sized enterprises looking to expand and do not claim to have an ethical angle.

Lending to care homes was another common area for IFISA loans. It is well known that government austerity measures are putting financial pressure on this sector particularly. Some of these could arguably be ethical loans, but we didn't include such platforms in this report if this was the only 'ethical' loan they had.

There are therefore six platforms clearly offering ethical crowdfunding projects which can be linked to ISAs. They arrange crowdfunding projects for a range of social and environmental goals like affordable rent, making public transport greener, or producing more renewable energy.

Four of them – Abundance, Ethex, Triodos and Energise Africa – only work

with ethical projects, so they all got an extra plus point in the Company Ethos category.

The score table opposite rates the platforms and not the projects. We have also included a written section for each platform below which has an example of a previously funded project so you can get an idea of the kind of projects they support. Confusingly, and finally, not all the projects on all the platforms are eligible for ISA investment.

## How much can I put into an IFISA?

UK Investors have an annual tax-free savings allowance of £20,000 in 2018/19. They can split this however they like between the three current types of ISA: a cash ISA, a stocks and shares ISA, and the new IFISA.

For example you could save:

- £10,000 in a cash ISA,
- £5000 in a stocks and shares ISA and
- £5000 in an IFISA.

You can only open one new Innovative Finance ISA each tax year. However you can open a new one every year and there is no limit to the number that you can have.

You can also transfer money that's in an existing ISA to an IFISA.

## What are the financial risks and returns?

IFISAs have a generally higher risk profile than cash ISAs or stocks and shares ISAs. The ISA providers in this guide tend to offer returns of between 6-8% – a much higher rate than many traditional bank

or building society cash ISA accounts are currently able to offer. However some commentators have described IFISAs as the 'wild west' of ISA investing, and you should be aware that the rate quoted is an expected rate and is not necessarily the rate you receive. In addition, you could receive no interest at all or lose all your money depending on how the individual projects in your portfolio perform.

Whilst only Financial Conduct Authority (FCA)-regulated platforms can offer an Innovative Finance ISA, they come with no other protection. IFISAs don't qualify for the savings element of the Financial Services Compensation Scheme (FSCS) that protects up to £85,000 should a firm go bust. Neither do they get the FSCS investing element that covers up to £50,000 in case your investing platform goes bust and hasn't done what it is meant to with your money. Some platforms have "reserve funds" that they claim can cover you in the event of defaults with loans or businesses failing. However they are under no obligation to use these funds and it is at the discretion of the platform.

It is also more difficult to access your money with an IFISA. Most of the assets (or loans) will be fixed term, making instant access impossible. You should, therefore, take into account the length of time the asset is held for when making a decision about what projects to invest in. Some of the platforms offer secondary markets to sell on your bonds but you are not guaranteed to get a buyer for anything you are trying to sell.

All the platforms we cover here do their own due diligence work on each project seeking funding both in terms of ethics



and financial risks. After all it is in the platform's interest to have projects that perform well – poor performers could damage the platform's reputation.

For example Triodos get to know the people behind the projects before they launch on the site, they look at the business planning, management team, the options they have considered and previous financial performance to help ensure the projects deliver for investors.

*For more information on how to limit risks see <https://innovativefinanceisa.org.uk>*

## The social returns of individual projects

Mainstream ethical investment tools, like assessments against the UN's Sustainable Development Goals (SDGs), are not really that useful for many of the small scale opportunities available via crowdfunding platforms.

Bruce Davies from Abundance told us, "Our experience is that investors prefer to make up their own minds about the 'impact' of the investment against their personal set of values and priorities. For some this can involve quite detailed due diligence above and beyond our own offer

document and for others it is a general set of principles that they want their investments to work with."

He added that, "The conventional Environmental, Social and Governance approach, we find, is more of a marketing idea than necessarily a robust assessment of impact on the ground."

The Energise Africa project, which has some larger institutional backers (see overleaf) does have some formal impact figures to track project success in relation to the SDGs. As such they monitor the number of people that have access to green energy thanks to funded projects and the amount of CO<sub>2</sub> mitigated per year.

Triodos also have different impact metrics for different projects. For example the Mendip Renewals project has an aim of helping people back to work and tracks how well its participants have performed in the job market after their time working with the project has ended.

The need for a diversity of impact metrics is echoed in a recent report from the EU which found that, "Stakeholder analysis, theory of change and the focus on holistic impact measurement rather than the superficial reporting on output indicators are gaining ground."



In one sense, all of the platforms in this report are good in that they are offering ethical investments in a range of projects. Our

four best buys though are those that only offer ethical investments. They are: **Abundance**, **Energise Africa**, **Ethex** and **Triodos**.

abundance.

15

ENERGISE  
AFRICA

ethex

15

Triodos Bank

Each of their ISA-linked projects will have different financial and ethical risks and returns which you will need to assess individually.



**Triodos Crowdfunding: Mendip Renewables** is a community benefit society that owns and operates the 5 MW Whitelake Solar farm in Somerset. The solar farm, which is located on low grade agricultural land used for sheep grazing, has generated 10,000 MWh of renewable energy since it became operational in December 2015.

## Companies behind the brands

### Ethex

**Ethex** promotes ethical investing as well as offering its own IFISAs. From the table you can see it offers ISAs under two brands, Ethex and Energise Africa. Ethex is a not-for-profit company (limited by guarantee). Its ISAs are offered through a third party company called ShareIn which is regulated by the Financial Conduct Authority.

Ethex is based in Oxford and is staffed by a team of 10, working on developing the website, handling customer orders, finding new businesses and investors and fulfilling regulatory requirements. It has much the best formal ethical policies of all the platforms in this Guide.

#### Ethex Funded Project – Solar for Schools

The Solar for Schools Community Benefit Society (CBS) was set-up in 2016 to enable schools in England and Wales to derive some financial and environmental benefit from solar panels. It was designed so that schools could share in the expected long-term financial returns without having to invest their own money.

Over 500 schools registered an interest in having solar panels installed. The project closed in January 2018 having raised £250,000 from 67 investors.

### Energise Africa

**Energise Africa** is designed to provide working capital to projects that install and sell solar home systems in sub-Saharan Africa. The aim is to provide more than 111,000 rural families access to renewable energy over the next three years. Home systems tend to provide simple electric lighting and phone charging facilities.

Some of the projects are managed by UK companies such as BBOX which is based in London. Others have been run by companies based in Africa such as Sollack (see below for more details). Most of the investments target returns of between 4-6% and offer bonds with a term of 2 to 4 years with interest paid every 6 months.

Ethex runs the Energise Africa project alongside Lendahand, a Dutch company that initiates renewal energy projects around the world.

Energise Africa is also supported by a number of other partners such as the UK's Department for International Development, the Virgin Unite fund (the non-profit foundation of the Virgin Group), Good Energies Foundation and Partnering for Green Growth. These organisations help to match-fund some of the projects helping to limit the risk to individual investors.

#### Energise Africa Funded Project – Sollatek Kenya

29 million individuals in Kenya are currently 'off-grid' and without access to clean, renewable electricity. Sollatek is 100% Kenyan owned and managed, and has been operational in East Africa for over 30 years. Over the last 7 years Sollatek has sold over 650,000 solar lanterns and solar home systems providing approximately 3.8 million people with access to solar energy.

The most recent bond offering on Lendahand platform helped to fund the provision of clean energy to 217 families in Kenya. Kenyan families pay for these systems in affordable installments over 18 months.



© BBOX

**Energise Africa: BBOX technicians fix solar panels to a roof in the Democratic Republic of Congo.**

### Triodos

In 2018 **Triodos** became the first UK bank to launch its own crowdfunding platform. Most of the projects available to invest in are eligible for the bank's IFISAs.

The platform is hosted on a separate website at [www.triodoscrowdfunding.co.uk](http://www.triodoscrowdfunding.co.uk).

Since its launch the Triodos crowdfunding platform has raised £20 million for eight pioneering organisations delivering positive change. The investments available on the site tend to be longer term investments (up to 18 years) so investors need to be aware that their money could be tied up for a considerable amount of time.

Most of the projects pay interest annually and some even offer inflation linked returns.

Triodos does its own due diligence on each project which includes analysing the companies' business plans, numerous meetings with the project leaders and some investigation of the track record of the senior people involved in each project.

It is also possible to invest in many of the projects using paper forms instead of online. You can call 0330 355 0355 for more information.

#### Triodos Funded Project – Mendip Renewables

A £1.8 million bond was successfully raised for Mendip Renewables in 2018, which owns and operates a 5MW community solar scheme and uses its retained profits to support charities in Somerset. The bond offered a 5% interest rate inflation linked over 17 years.

The company donated £25,000 to Key4Life to help support its South West 'At Risk' programme which supported disenfranchised young men who were at risk from offending. The charity's programme includes mentoring, employability skills and specially-designed workshops to manage emotions and overcome negative behaviours. Six months into the programme 62% of participants are in employment or meaningful activity.

### Abundance

**Abundance** has been a pioneer of raising green finance ever since it launched in 2012. It was set up by Bruce Davis, a co-founder of Zopa, the UK's oldest mainstream peer-to-peer lending platform.



Its first investment was to fund the construction of a community-sized wind turbine in the Forest of Dean. The project was by far the biggest investment of its kind at the time, but more importantly it broke the mould of what investment was all about. It was the first crowdfunded energy investment, allowing anyone to invest from just £5 at a time when green energy investments could usually only be accessed by those with far deeper pockets.

It only funds what it calls 'socially useful' projects. These have largely been green energy in the form of wind turbines and solar farms, but have also included the construction of GP surgeries, recycling used cooking oil into bio-diesel and, most recently of all, affordable housing.

Abundance recently achieved a B Corp status – a certification scheme looking at social and environmental performance, public transparency, and legal accountability to balance profit and purpose. The company carries out due diligence on prospective projects which can last between 6 weeks to six months. This involves a series of stages from face to face meetings, to financial model testing, to helping them produce the offer document. They then have ongoing, usually monthly contact with each project.

Abundance has also helped when projects get into difficulty. For example, when a decision by the energy regulator OFGEM cut subsidy payments to the Monnow Valley CHP, Abundance helped the organisation to find their way through the problem.

## **Abundance Funded Project – Merseyside Assured Homes plc**

Merseyside Assured Homes plc raised £4,250,000 in the summer of 2018 to fund the construction of 30 social housing properties at three locations in and around Liverpool.

The homes will be offered to people and households on local waiting lists who are eligible to receive Local Housing Allowance, and nine flats specifically cater to people in need of supported living.



The money is being spent on three specific developments. The first consisting of 8 semi-detached and detached 3 bedroom houses and one 4 bedroom house. The second of 9 flats in a single 3-storey building and will provide supported living accommodation for its tenants. The third site will have 12 semi-detached and detached 3 bedroom houses.

## **The Downing Crowd**

The Downing Crowd platform is owned by Downing LLP, an investment manager which also operates funds investing in not exclusively ethical areas.

Downing Crowd was launched in 2016 and has raised almost £50m since launch. Similar to the Abundance site, the investor chooses the company bonds they want to invest in from those available on the platform at the time. The interest offered typically ranges from 4% to 7% p.a., with terms usually from one year to three years.

It offers renewable energy investments and also other, not-marketed-as-ethical, opportunities like hotel renovation, care homes and pubs.

Downing Crowd Bonds are often secured against a business' tangible assets (such as wind farms, hydro plants and care homes) to help reduce the risk for investors.

Downing's other products offered investments in companies, such as Drax and Shoe Zone, which have been criticised in categories used for our ratings such as Climate Change and Workers' Rights. It was marked down in these categories because it did not score best in our Financial Transparency ranking (see EC172).

## **Downing Funded Project – Alternate Energies**

The first bond offer to be included in the Downing IFISA featured a £1.39m funding opportunity for Alternate Energies, which owns an established portfolio of solar panel systems on residential buildings owned by Colchester Borough Council.

## **Goji Investments**

Goji Investments specialises in direct lending and offers 'renewables' IFISAs that invest in UK renewable energy. It also offers not-marketed-as-ethical, 'diversified UK lending' – to property, education, and SMEs.

Its Renewables Lending Bond finances renewables projects, which are originated and managed by the Prestige Group. We have therefore combined the rankings for Goji and Prestige on our table for this product.

Unlike the other IFISAs in this guide, it does not appear that the investor can choose which companies to invest in – the portfolio is chosen for you.

As of Goji's Annual Return February 2018, AXA held 3% of its shares whilst a company called Anthemis held around 21%. Anthemis' parent company was registered in Luxembourg, a tax haven, and Anthemis had investments in Atom Bank.

Prestige Group's funds did not disclose which companies they invest in. As a likely holder of shares in companies receiving criticism across all our ratings categories, and scoring worst for transparency, it lost half a mark in all of our categories.

Prestige also owned companies based in tax havens such as the Cayman Islands and the British Virgin Islands.

## **Goji Funded Project – Renewables lending bond**

This bond is spread over 33 individual renewable energy loans, totalling £1.6 million. The minimum investment is £5,000. The bond funds UK wind, solar and anaerobic digestion (agricultural, food and water treatment waste is diverted from landfill and broken down to produce biogas). The Portfolio aims to provide a yield of between 6% pa for 3 year investments and 8.3% pa for 5 year investments. The first 20% of any loss will be underwritten by Prestige. There is no details on the individual loans that are funded.

## #FridayForFuture

A global youth movement for climate action is snowballing; calling on people in positions of power to treat the climate crises as a crisis, and to keep fossil fuels in the ground.

16 year old Greta Thunberg's speech to the UN Climate Change COP24 conference in December 2018 went viral on social media, and her solo protest outside Sweden's parliament has sparked a similar response with School Strikes 4 Climate Action. There have now been climate strikes involving thousands of students (and adults) on every continent except Antarctica and many more are planned.<sup>1</sup>

Greta has now become a prominent and inspirational spokesperson for youth demanding urgent climate action. In January, as part of climate protests in Davos that marked the last day of the World Economic Forum, Greta sent a plea to the forum's participants to "stand on the right side of history" and to pledge to do everything in their power to push their own business or government to meet the goals of the Paris climate agreement.<sup>2</sup> She challenged "companies and decision makers into real and bold climate action, to set their economic goals aside and to safeguard the future living conditions for human kind".

Although slow to start in the UK, as this magazine went to print, plans were underway for a UK wide school strike on the 15th February.

## Fast food chains urged to cut carbon emissions

An investor group managing some \$6.5 trillion called on six of the world's largest fast food chains to start managing their climate impacts. The owners of McDonald's, KFC and Burger King were among the companies targeted.

A new coalition of ethical investors has raised concerns over the environmental impacts of fast food retailers' supply chains, with particular concern raised around the climate impacts and water pollution issues associated with unsustainable animal agriculture.<sup>5</sup>

An open letter co-organised by the Farm Animal Investment Risk & Return (Fairr) Initiative and sustainability organisation Ceres, was sent to the world's six largest fast food chains, calling on them to publicly set and monitor targets on greenhouse gas emissions and freshwater impacts.

Jeremy Collier, founder of Fairr and chief investment officer of Collier Capital commented: "Every day around 84 million adults consume fast food in the US alone, but the inconvenient truth of convenience food is that the environmental impacts of the sector's meat and dairy products have hit unsustainable levels...To put this in perspective, if cows were a country, it would be the world's third largest emitter of greenhouse gases. Other high-emitting industries, such as cars or oil and gas, are beginning to set clear yet ambitious climate targets, making animal agriculture one of the world's highest-emitting sectors without a low-carbon plan."<sup>6</sup>

## Local Authorities declare a 'climate emergency'

Lancaster is the latest in a line of UK District and City councils passing motions declaring a 'Climate Emergency'.



Alistair from Morecambe Bay Extinction Rebels addressing Lancaster City Council.

Lancaster City Council passed its 'Climate Emergency' motion on 30th January 2019, agreeing to set up a multi-stakeholder Climate Change Cabinet Liaison group to immediately review the council's climate strategy.<sup>3</sup> In passing this motion Lancaster joins others including Oxford, London, Scarborough, Bradford, Brighton, Totnes, Frome, the Forest of Dean, Bristol and Kirklees in passing such motions; starting the slow process of viewing Climate Change for what it is – an Emergency. As more UK Local Authorities join this movement, increasing pressure will be placed on Westminster to provide the necessary resources needed to support local and effective climate action.

According to the Climate Emergency Declaration website "populations covered by governments that have declared a climate emergency now exceed 19 million citizens in four English-speaking countries, with over 12 million of these living in the United Kingdom".<sup>4</sup>

## International Rebellion

Extinction Rebellion has called a two week International Rebellion from 15 - 28 April 2019 'to demand decisive action from governments on climate change and ecological collapse'.

Driving Extinction Rebellion's work are three core demands:

1. The Government must tell the truth about the climate and wider ecological emergency, reverse inconsistent policies and work alongside the media to communicate with citizens.
2. The Government must enact legally binding policy measures to reduce carbon emissions to net zero by 2025 and to reduce consumption levels.
3. A national Citizen's Assembly to oversee the changes, as part of creating a democracy fit for purpose.

To find out about upcoming 'Rebellions' near you see [rebellion.earth/events](http://rebellion.earth/events)



**References:** 1 <https://www.theguardian.com/environment/2019/jan/24/school-strikes-over-climate-change-continue-to-snowball> 2 <https://www.theguardian.com/environment/2019/jan/25/our-house-is-on-fire-greta-thunberg-16-urges-leaders-to-act-on-climate> 3 [http://climateemergency.uk/blog/lancaster\\_climate\\_emergency/?fbclid=IwAR2Cqeyq5IYvFm\\_XRCZ33J2sQho4yud-TE5rKy-7OndhITY-943Ycj0NXms](http://climateemergency.uk/blog/lancaster_climate_emergency/?fbclid=IwAR2Cqeyq5IYvFm_XRCZ33J2sQho4yud-TE5rKy-7OndhITY-943Ycj0NXms) 4 <https://climateemergencydeclaration.org/climate-emergency-declarations-cover-15-million-citizens> 5 <https://www.reuters.com/article/us-global-food-climate/investors-call-on-mcdonalds-and-kfc-to-step-up-climate-change-action-idUSKCN1PN2MD> 6 <https://www.theguardian.com/environment/2019/jan/29/investors-urge-kfc-mcdonalds-and-burger-king-to-cut-emissions>

# 2019 Spring Prize shortlist announced

50 projects from around the world have been shortlisted for the £200,000 Lush Spring Prize for environmental and social regeneration.

The Lush Spring Prize is a joint venture between Lush Cosmetics and Ethical Consumer and is now in its third cycle, having started in 2017. It was set up to support 'regenerative' projects – those that go beyond sustainability by taking holistic approaches to restoring degraded land and communities. By supporting regenerative projects the Spring Prize hopes to raise the profile of the movement as a whole to inspire more individuals, groups and communities to start the regenerative process.

The 2019 Prize received over 250 applications, which were shortlisted to a group of 50 in January this year.<sup>1</sup> Applications were received from across six continents and 68 different countries.

Although the shortlist is extremely diverse, interesting common themes can be identified. For example, many projects were taking ownership of the UN's Sustainable Development Goals, using regenerative practices as a means of achieving them in a way that remains relevant to the local context. Climate Change was a common issue being addressed – not just in terms of preventing it but adapting to and mitigating the effects that are already being felt by projects and their stakeholders.

Projects were driven by a range of stakeholders, including grassroots campaigners, small scale agro-ecological producers, regenerative businesses, indigenous groups, academics, global solidarity networks and think tanks. Their work addresses multiple issues needed to support life, including ecosystem restoration, regenerative food production, building community, creating resilient housing and circular economies, whilst also supporting displaced people, protecting indigenous rights and access to land.

## The 2019 Prizes

There are four different prize categories, each with a number of awards. These are Intentional, Young, Established and Influence.

15 '**Intentional**' projects have been shortlisted. These include Laboratorio Sicilia 2030, which aims to actively support individuals and organizations in Sicily to regenerate and grow sustainably following the UN 2030 Agenda. In this crucial time of climate, environmental, social and economic crises, they see Sicily struggling to find an encompassing vision, to break free from widespread inertia and resignation, and align itself with its values. They are choosing to unite many often uncoordinated local initiatives in Sicily under the inclusive and organizing purpose of the Sustainable Development Goals.

15 projects have been shortlisted in the '**Young**' prize category. Alianza Ceibo is one of these and is comprised of members from four indigenous nations in the western Amazon that are – together – building a holistic movement to prevent the destruction of their cultures and rainforest territories. The



INUA, shortlisted for a 2019 Established Lush Spring Prize, hosts a community meeting.

Alliance was created in 2014 in response to oil fields polluting local water sources. In the process of building rainwater catchment systems (to increase access to clean water), they learned of common threats facing them all and decided to collaborate.

Ten '**Established**' projects have been shortlisted, including INUA (Instituto Nova União da Arte).

INUA is a grassroots project based in the East Zone Favela of Sao Paulo, Brazil. Its mission is to promote community development through art, culture, environmental education and generation of paid work. INUA draws on the resources of the favela itself to fuel regeneration. This challenges the view that the favelas depend on outside help to develop. Instead, it demonstrates that they can act as a needed source of nutrients for regenerating what is unhealthy about the entire city.

Ten projects have been shortlisted for an **Influence Award**. These include Karambi Group of People with Disabilities that was founded in 1995 in Uganda by a group of people with disabilities (PWDs) in response to the discrimination, isolation, and exclusion faced by PWDs within society. They have established a food forest, permaculture gardens and an irrigation system that is enabling them to produce organic foods in all seasons throughout the year. They also operate skill training and demonstration centres and have scaled down permaculture to primary schools so that young people can learn how to work with nature while producing the needed nutritious foods.

## 2019's awards ceremony

2019's Spring Prize winners will be announced during an awards ceremony in mid May, having been decided by a panel of 12 judges in February.

The Spring Prize judging panel is comprised of prominent people in the regenerative movement as well as one Lush staff judge and one Lush customer judge.<sup>2</sup>

**References:** 1 The 2019 shortlist can be viewed online at [springprize.org](http://springprize.org) 2 [springprize.org/about/judging-panel](http://springprize.org/about/judging-panel)



# Who's picking your salad?

*A few months ago, one of our readers got in touch. He had watched Simon Reeves' 'Mediterranean' and been "disturbed and distressed" by the conditions that agricultural workers face on farms in southern Spain. We contacted **Delia McGrath** from La Via Campesina in Spain who sent us this update.*

**N**ijar, one of the biggest municipalities in Spain, extends from arid rolling scrubland to the pristine beaches of the Cabo de Gata natural park. In the last twenty years or so, a sea of plastic has encroached eastwards, and the natural landscape now disappears under a tide of poly-tunnels. The small family-run greenhouses growing peppers, tomatoes, aubergines, courgettes, beans and melons for the Northern European supermarkets are gone. Now, big

corporations, often with international finance, construct massive, state-of-the-art structures and the earth is mined for water. Every year, they export €283 million worth of produce to the UK, much of which goes to the biggest supermarkets.

Their gigantic greenhouses absorb a daily stream of workers from Morocco, sub-Saharan Africa and, decreasingly, from Eastern Europe and Andalusia. Shanty towns have grown up, periodically razed by the local councils. Uninhabitable

The greenhouses of El Ejido, Almería, from space.





Striking workers protest conditions at Godoy Hortalizas.

buildings, often with no water supply, are divided up and rented out to house the immigrants who continue to arrive, risking their lives on precarious crafts organised by mafias that use the proximity of Andalusia to Africa to profit from the journey. The situation was first exposed in the UK in 2011. Yet little has changed since then.

Among these greenhouses, and the associated plants that package the vegetables ready for transportation, an old red ex-fire service van, a gift from a German solidarity organisation, makes its way daily. In the driver's seat is José, of the small independent trade union SOC SAT (Union of agricultural workers/Union of Andalusian workers). He is usually accompanied by a handful of other people, often sacked workers. They approach a particular company, where they have been called because of the flouting of minimum conditions. The van pulls up at the gates, they climb out, sometimes with placards and flags. Debates are held with other workers; sometimes irate bosses or managers come out and argue, sometimes the police are called.

The same story is heard over and over: the minimum salary is not paid, the workers' national insurance contribution is not paid for all the days worked, no rest break, no holiday pay, no transport costs, many hours extra worked but no overtime paid.

## What is the current situation?

On 21st January, a twenty-seven-year-old worker died following exposure to agricultural chemicals on one of Nijar's

farms. Sadly, this is not an isolated incident. SOC-SAT says that labourers are often expected to continue working whilst chemicals are being sprayed in the greenhouses, without safety equipment, and are even expected to take breaks and eat lunches there.

Recently, the eye of the storm has centred on Godoy Hortalizas, the Spanish supplier for Nationwide Produce PLC – a company with links in the UK to M&S and others. In January, Godoy workers voted to strike indefinitely, stating that the company was avoiding paying the minimum basic salary and allowing poor working conditions, including unsafe use of agricultural chemicals. Many workers had joined the trade union and elections for a representative had recently been scheduled. SOC-SAT says that the company lawyer tried to stop them taking place and that, on the day of the elections, there was physical and verbal intimidation but, of course, the right to unionise is protected by law. After just three days, the strike was successful, with the company agreeing to a labour agreement protecting wages, working hours and transportation. José hopes that the outcome will not just help those immediately involved, but will “have positive effects for other workers and repercussions in the sector” as a whole.

A worker in Nijar is commonly paid between €32 and €38 for an eight-hour day, overtime is not always paid as such nor might the relevant contributions be made to the social security scheme. The 20-minute morning break for a sandwich is often not allowed. The last wage agreement for Almeria was negotiated with the big unions in 2013, ran out in

2015 and has remained frozen ever since, at €46.72 for an eight-hour day.

Back in the office, there is a queue of workers; people who have been sacked because they have joined the trade union or dared to voice a grievance. SOC-SAT Almeria used to process about 200 to 300 cases a year. Now it is approaching 800. At a government level, there appears to be little desire for change, no increase in the teams of work inspection, who, normally accompanied by the police, make unannounced visits to workplaces to check if all employees are registered. Farm owners are intertwined on a local level with councils, businesses, and politicians, and abroad, with foreign companies and capital.

## What has gone wrong?

The large institutional trade unions have the funding and the infrastructure to make inroads into the situation, but they stay on the margins, not using their power as a counterweight to the power of the capital in the area. And all this against a backdrop of racism and xenophobia as exemplified by the extreme right party Vox, which, in December, won 12 seats in the Andalusian parliament. Their stronghold is in El Ejido, the heart of plastic country.

It is estimated that Almeria, as a province, has more than 30% of its economy undeclared: the majority of this economy is formed of illegal immigrants, who can be easily exploited and lack protection by the law. Ironically, if the immigrants stopped work, or went back to their countries, the salad industry would collapse.

José states that the system of declaring days worked at the end of the month by the company for national insurance purposes is the backbone of the main fraud committed against both the state and the employees. He says that this is how fraudulent evidence is presented to quality certifiers like Global GAP, Naturland, and BioSuisse. Supermarkets use these schemes for assurance that their suppliers are meeting minimum labour requirements. The certifiers see wage slips that show that a person has worked x days in the month, with the necessary contributions paid by the employers. But, in fact, s/he has often worked for many more undeclared days and hours daily, which will never contribute to their pension or other benefits. In this way, “Global GAP is whitewashing the exploitation in agriculture in Almeria” he baldly states.





José from the SOC SAT union talking to workers on their lunch break about their grievances.

## Positive action you can take:

- Be choosy about the food you eat; ask questions, where does it come from, how is it produced? Don't buy stuff that comes from too far or from a country where labour conditions are not guaranteed.
- Write/phone/email the big supermarkets, as an individual or, better still, through your consumers' group or other association. They are sensitive to the possibility of bad press.
- If you speak Spanish or Arabic, come and help out!
- Fundraise for something specific, like a trade union worker's salary, or petrol for the red van ...
- To contact them, email [socalmeria@yahoo.es](mailto:socalmeria@yahoo.es) or visit [socsatalmeria.org](http://socsatalmeria.org)

## How to expose and change this situation?

If they are to follow basic legal requirements, the government must provide more work inspection teams, strengthen trade unionism in the work places, and adapt the model of trade union representation in the workplace itself.

José says that pressure on the importers is very important. The big companies must be asked to revise their protocol when checking that basic conditions and wage agreements are being met. The system in place now justifies fraudulent practices, he says. As he says, the certifiers, or indeed anyone trying to get to the real situation, have to be able to speak to the workers away from the hearing and control of the management, outside the work place, where they are not frightened to relate the real labour conditions, and only then will the fraud that these companies are perpetuating be exposed.

Unfortunately, both the supermarkets and their suppliers lack transparency about where their agricultural products come from. Often, supermarkets buy through an importer, rather than the farm itself, which makes it even harder to know the origin of the produce. Of the nine large supermarkets in the UK, M&S alone publishes a factory list, and even this does not extend back to the farms where produce is being grown. Consumers must ask supermarkets to disclose who they are buying their produce from, and to put pressure on their suppliers to do the same.

I ask José to now tell us the good news, the positive changes. "Are there any?" he asks. He worked in the area in 2002/3 and returned in 2016 to find very little improvement in the vegetable growers'

conditions. José mentions Glinwell PLC, a company that sells to Tesco. He says that, although Tesco had intervened in a previous dispute, some conditions for the workers in general do not meet the minimum requirements of the law.

He then goes on to say that there are now workers who are brave enough to stand up and start to organise themselves. Many of the immigrants have already lived there for a decade or two, their children are growing up and they find they cannot live on the salary they receive. Over the years, they have also gained in knowledge and experience. He also says that pressure on the big marketing companies works, to date especially in the organic sector. He cites the examples of Eurosol and Biosabor, where better conditions were won thanks to the pressure on the marketing companies in the north of Europe.

Laura, working in the SOC-SAT office, lifts her head up from her paperwork to say that the union SOC SAT is, today, on the "front page" in Almeria – not of the newspapers, but in the minds of big business. SOC SAT is a "boil on their backsides", because of the action they are taking on behalf of the workers, she clarifies.

## What could supermarkets do?

Co-op, Marks & Spencer, Sainsbury's, Tesco, Waitrose, ASDA, ALDI and LIDL all support the Spanish Ethical Trade Forums, a supplier-led regional initiative aiming to drive improvements in working conditions.

This is clearly not enough. They also could:

- Publish complete lists of suppliers, so that when issues arise there is greater transparency about efforts to address them.
- Put pressure on their suppliers to publish the farms from which they buy produce.
- Put pressure on international certifiers like Global GAP, Naturland, and BioSuisse to improve their audit processes: engage with workers outside of work places, away from the hearing and control of the management, where they are not frightened to relate the real labour conditions; and engage with local unions.
- Engage with agricultural unions like SOC-SAT and put pressure on their suppliers to improve conditions when issues arise.

Ethical Consumer plans to publish regular updates about SOC-SAT and the situation in Almeria on its website along with responses from the supermarkets mentioned above (as well as Morrisons), who were all contacted during this research.

**References:** 1. [www.freshplaza.com/article/9054436/spain-almeria-already-exports-80-of-the-fruit-and-veg-it-produces](http://www.freshplaza.com/article/9054436/spain-almeria-already-exports-80-of-the-fruit-and-veg-it-produces) 2. [socsatalmeria.org/fallece-trabajador-depués-sulfatar-invernadero-nijar](http://socsatalmeria.org/fallece-trabajador-depués-sulfatar-invernadero-nijar) 3. [www.nationwideproduce.com/about/company-history](http://www.nationwideproduce.com/about/company-history) 4. [www.nationwideproduce.com/about/the-group/richmond-farms](http://www.nationwideproduce.com/about/the-group/richmond-farms) 5. [socsatalmeria.org/los-trabajadores-invernadero-j-v-f-grupo-godoy-nijar-se-declaran-huelga-reivindicando-cumplimiento-del-convenio-del-sector](http://socsatalmeria.org/los-trabajadores-invernadero-j-v-f-grupo-godoy-nijar-se-declaran-huelga-reivindicando-cumplimiento-del-convenio-del-sector) 6. [socsatalmeria.org/finaliza-la-huelga-j-v-f-grupo-godoy-tras-aceptar-la-empresa-convenio](http://socsatalmeria.org/finaliza-la-huelga-j-v-f-grupo-godoy-tras-aceptar-la-empresa-convenio) 7. [sustainability.tescopl.com/sustainability/food-waste/topics/suppliers](http://sustainability.tescopl.com/sustainability/food-waste/topics/suppliers)



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## Ethical Screening

Ethical screening of: **Microsoft Corporation**  
For: [Redacted]  
Date: 4<sup>th</sup> May 2018

**Company overview:**  
Microsoft is one of the world's top computer software companies. Its Windows operating system and Office suite dominate the workplace computer market and is included in many of the world's top 100 companies, including those made by Dell Technologies, HP Inc. and Lenovo. Microsoft also makes its own devices, such as tablets (Surface), game consoles (Xbox One) and the video-calling service Skype and in 2016 it bought the business networking giant LinkedIn for \$26 billion. Microsoft is also present in the cloud computing market with its Azure cloud platform.

**Ownership:**  
The largest shareholders in Microsoft are the Vanguard Group Inc (6.75%) and BlackRock Inc (6.75%).

**Executive Officers:**  
The company's named executive officers with 1.3% of the company's common stock are:

Address: One Microsoft Way, Redmond, Washington 98052-6399

Website: [www.microsoft.com](http://www.microsoft.com)

Email: [Redacted]

**Ethical Score:** 5.5 out of a possible 15 on Ethical Consumer's database. It loses half a mark under the following Ethical Consumer ratings categories: Pollution and Toxics, Reporting, Climate Change and Supply Chain Management. The company did not gain any additional positive marks for providing an environmental or social alternative.

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## HSBC divests from Israeli arms company

In December, HSBC announced that it had fully divested from the Israeli drone manufacturer Elbit Systems, known for selling weapons to the Israeli military used in attacks on Palestinian civilians.



Elbit Systems has been the target of a long-running divestment campaign for supplying surveillance systems and other technology to Israel's Separation Wall and settlements in the West Bank as well as for the US-Mexico border. The company has also manufactured the white phosphorous and artillery systems that can be used for cluster munitions.

More than 24,000 War on Want supporters emailed HSBC asking the company to end its investments in Elbit Systems and other arms companies selling to the Israeli military. War on Want, who led the campaign, also coordinated monthly protests outside over 40 HSBC branches across the UK, in opposition to the bank's investments.

Through investing in Elbit Systems, War on Want stated that the bank was violating its own policy not to provide financial services to companies involved in the production or selling of cluster munitions.

HSBC's decision to divest represents a significant victory for both War on Want and the BDS Movement. "However," Ryvka Barnard, War on Want's senior campaigner on militarism and security, stated, "HSBC continues to do business with over a dozen companies selling military equipment and technology used in human rights violations, including Caterpillar, whose bulldozers are used in the demolition of Palestinian homes and properties, and BAE Systems, whose weapons are used in war crimes by Israel, Saudi Arabia, and other repressive regimes."<sup>1</sup>

In 2017, HSBC owned shares worth £831 million in companies that sold weapons and equipment to Israel, including £3.6 million in Elbit Systems.<sup>2</sup> War on Want continues its campaign.

## Calls to tackle sales of gemstones profiting Myanmar military

Human rights activists have increased calls for jewellers to boycott gemstones mined in Myanmar, which are funding the country's military. The long-running campaign responds to the military's attacks on communities of Rohingya Muslims in the country.

Myanmar's military dominates the country's gemstone industry, with military-affiliated companies controlling

distribution of licensing and permits, and running gem auctions that raise hundreds of millions of dollars. By continuing to use gemstones from the area, campaigners argue, high-end jewellers are, therefore, funding the ethnic cleansing of Rohingya Muslims by the Burmese military.

The campaign, which is led by SumOfUs and The International Campaign for the Rohingya, has already seen some successes. Cartier pledged to stop buying gems from Myanmar in December 2017, and gemstone exports from the country fell 65% the same financial year.<sup>3</sup>

Now almost 150,000 people have signed a petition asking Bulgari to follow suit and stop sourcing its gemstones from the area. Protests were held, ahead of Christmas, outside Bulgari stores in Bangkok, London, New York, and other cities.

Bulgari joined a voluntary boycott of Burmese gemstones in 2007, but began buying from the region again after sanctions were lifted in 2016. The company, which was bought by LVMH Moët Hennessy Louis Vuitton SE in 2011, has already failed to respond to an 80,000 signature-strong petition on the issue.<sup>3</sup> Other LVMH brands include Tag Heuer, Benefit Cosmetics and Christian Dior, as well as other designer fashion, cosmetics, wine and alcohol brands.

**TAKE ACTION:** Sign the petitions asking Bulgari to stop sourcing gemstones from Myanmar.

- [actions.sumofus.org/a/tell-bulgari-to-adopt-a-policy-of-selling-no-gems-from-myanmar](https://actions.sumofus.org/a/tell-bulgari-to-adopt-a-policy-of-selling-no-gems-from-myanmar)
- [actionnetwork.org/petitions/tell-bulgari-stop-selling-burmese-genocide-gems](https://actionnetwork.org/petitions/tell-bulgari-stop-selling-burmese-genocide-gems)

## Starbucks boycott called, over partnership with Nestlé

Nestlé faces a long-running boycott call from Lakota People's Law Project, an indigenous rights organisation, over its extraction of water in the USA.<sup>4</sup>

The company's activities in the area have long been criticised, but came under renewed attention in April 2018, during the Flint Water Crisis. The company was accused of 'cosying up' with Governor Rick Snyder after he switched Flint city's water supply to the Flint River, known to contain dangerous levels of lead pollution. Nestlé continued to pump water from nearby Evart for just \$200 a year while offering to assist with Flint's crisis by donating bottled water to its residents.<sup>5</sup>

Lakota People's Law Project has now also called for a boycott of Starbucks, after the coffee shop chain signed a \$7.15 billion licensing deal with Nestlé. In May 2018, Starbucks announced that Nestlé would be buying the rights to sell its branded coffee in retail outlets outside the chain. The deal is the third largest in Nestlé's 152-year history.

Nestlé is also the target of a boycott call from Baby Milk Action, for its aggressive marketing of baby-milk products.

**TAKE ACTION:** Pledge to boycott Starbucks and Nestlé  
[www.lakotalaw.org/our-actions/nestlepledge](https://www.lakotalaw.org/our-actions/nestlepledge)





## Brexit and the future of tax havens

On 22nd January 2019, the Chair of the Tax Justice Network, John Christensen spoke at the European Parliament on 'The Impact of Brexit on Tax Evasion and Money Laundering', organised by the European Free Alliance of the Greens. Extracts from that speech are reproduced here and full text, video and slides are available at [www.taxjustice.net](http://www.taxjustice.net)

"I want to raise my concerns about the UK government's [post-Brexit] proposals for a Singapore-on-Thames. Senior government ministers have been signalling the Singapore-on-Thames development strategy since January 2017, when Prime Minister May and her Chancellor Philip Hammond both flagged it up as a potential route.

Just to put this in context, Singapore has rapidly expanded its role as an offshore financial centre in the past decade, currently ranks number five on the Financial Secrecy Index, and has a secrecy score of 67. That secrecy score reflects general weaknesses in Singapore's corporate transparency regime and a low level of commitment to tackling corporate tax dodging.



Singapore or London? Spot the difference.

### Singapore-on-Thames

What the Singapore-on-Thames visionaries appear to have in mind can be summed up as:

- A commitment to sweeping tax cuts for corporations and mobile rich people – tax wars as a fiscal weapon;
- Tax measures such as accelerated capital allowances to attract mobile investments to UK;
- Comprehensive de-regulation, removal of social and environmental protections;
- Weak or non-existent compliance with international anti-money-laundering measures;
- Retaining golden visa arrangements to provide residence rights of wealthy non-British citizens, increasing exposure to oligarchs and corrupt illicit financial flows.

Of course, none of this is new. The UK set out down the route of becoming a major tax haven economy in the 1950s and has pursued this development strategy under governments of all complexions.

### What is to be done?

In such circumstances, it seems foolhardy for the European Union to grant financial service providers in London equivalent treatment to providers who operate within the Single Market

and are regulated under the common rulebook. Put simply, this gives the fox full access to the hen house.

#### First ...

The European Union should commission a comprehensive spillover analysis of the external risks posed by the British tax haven empire taken as a single entity.

This spillover analysis should look behind the greenwash of domestic laws in the UK itself and make an assessment on the basis of what international law firms, banks and accounting practices can do in territories like Bermuda, Cayman and the Turks & Caicos.

Until such time as the UK government requires all of its dependencies to fully adopt transparency standards (e.g. public registries of beneficial ownership), recognition of equivalence of regulatory standards should be withheld and London-based banks and law firms should be required to operate within the Single Market on the basis of having commercial establishment subject to regulatory oversight by an EU Member State.

#### Second ...

My second recommendation relates to the taxing of multinational companies. The threat of a post-Brexit UK government accelerating the race-to-the-bottom on tax rates and special treatments is clear and imminent. This can only worsen the rise of inequality and the undermining of the capacity of democratic states to protect their citizens. The EU must therefore proceed with its Common Consolidated Corporate Tax Base project and move towards an apportionment-based approach for allocating profits to the countries where they genuinely are.

The threat of a post-Brexit Singapore-on-Thames places Europe at a point in its political evolution at which it must choose between committing to deeper cooperation, for example on setting a common corporate tax base underpinned by a minimum tax rate, or whether to follow through on the current race-to-the-bottom trajectory, which will, inevitably, further erode national tax bases and regulatory standards, leading to slower growth, increased financial market volatility, deeper inequality and social division."

## Fair Tax Mark news

### Leeds Building Society certified

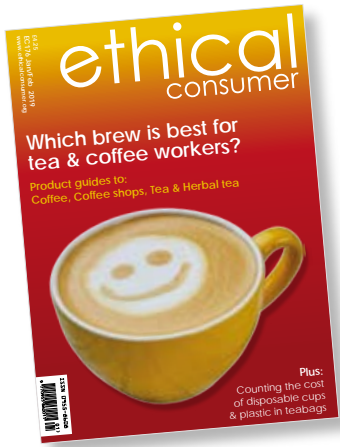
Fair Tax Mark is closing in on its 50th certification with Leeds Building Society, technology firm Yoti, and M&M Underwriting all recently joining the ranks of accredited businesses.

The mark has also accredited its first water company, with giant FTSE-listed South West Water owner Penmon plc becoming the 47th certification.

### Fair Tax Week 2019

This year's UK-wide celebration of the companies and organisations that are proud to pay their fair share of corporation tax is taking place 6-14 July. The week, which incorporates Tax Justice Sunday on 7 July, is an opportunity to explore the positive contribution this makes to society. Businesses and supporting organisations will be running events during the week, details of which will be published on [fairtaxmark.net/fairtaxweek2019](http://fairtaxmark.net/fairtaxweek2019)





## Don't lump all dairy producers together

I am a fairly new member, who is very disappointed by the promotion of a general dairy boycott in connection with the badger cull.

As a former organic grower for 25 years, I believe that many organic farmers are, at best, sceptical

about a cull and in favour of vaccination. Ethical Consumer is perhaps expecting too much to ask these small farmers to stick out their necks.

I will continue to support my local organic dairy farm whom I believe are doing an excellent job.

**John Butterworth, by email**

I'm considering whether or not to re-subscribe. I've enjoyed the membership and found it very useful but I'm really upset and disappointed by your stance on the dairy industry.

As a member of an intentional farming community producing milk, yoghurt and cheese from grass alone I found your assessment to be naïve and apparently ignorant. It seemed to be based on responses or non-responses from one or two of the big producers.

The growing alternative dairy industry needs your support and promotion among the young alternative members of our population, not vilification.

To lump all dairy producers together and assume their ethics are the same is ridiculous.

There are plenty of organic producers, Pasture Fed for Life producers, etc. who are producing dairy products from grass alone and actively finding ways to make their industry more sustainable.

Like us, many of them deplore the badger cull and do their best to campaign against it.

**Brigid Bowerman, Canon Frome Court, by email**

**Ed:** We are willing to add any dairy producer to a positive 'buy from' list, who, like you, publicly opposes

the cull. It has been extremely difficult to date to find any willing to join this list. Do let us know the names of any more.

## Palm oil free is not a free pass

I think it would be wise to be clearer on the palm oil issue and the issues with alternatives – the next best oil from a land-use basis is 300% worse than palm, so any palm oil-free product is very bad for the world and the people and animals displaced by deforestation.

What Ethical Consumer should be focusing on encouraging is Responsible Palm oil and making it clear that supporting the blanket anti-palm oil bandwagon (as per some retailers' shameful scams) is hugely damaging.

Greenpeace have adopted the term "dirty palm oil" for non-responsible palm oil to create clarity as they understand the serious issues with alternative oils.

It's really important that EC gets this right as its current message is confused and possibly causing more harm than good.

**Angus, by email**

**Ed:** We don't think it's as black and white as 'palm oil-free' is worse. FoE says in our *Changing Markets* article in Issue 173 that labelling palm oil as sustainable encourages people to consume more and overconsumption is at the root of the problem.

Greenpeace also says companies should use less until they can guarantee it's from 100% No Deforestation, No Peat, No Exploitation suppliers.

## Overcoming Amazon

I really enjoyed your issue on how to avoid using Amazon. It was well timed as I recently took the decision to boycott them myself.

Although I knew about your boycott for a long time due to the tax avoidance issues, because of the convenience of being able to buy things quickly and cost effectively, I continued to use them (although I always felt guilty about it).

What prompted me to take the leap and call it quits with them was when the stories were released about the abysmal treatment of their employees. I think this human element caused this overpowering emotional response within myself to do something about it which I didn't have regarding the tax avoidance issues.

While it makes me angry Amazon aren't playing fairly in the field of tax, as I'm sure it does for many others, I wonder if Ethical Consumer spent a bit more time emphasising the workers' rights angle, whether we would see a greater uptake on the boycott?

In any case, I thank you for providing me with lots of helpful alternatives to help me get over my Amazon-dependency.

**Karla, by email**

## Mistreatment of salad pickers in Southern Spain

I recently watched the last episode of Simon Reeve 'Tour Round The Mediterranean' on BBC 2. In the episode he interviewed an African migrant who works in the salad-growing area of Almeria in Southern Spain.

I was very shocked to hear and see the 'slave-like' conditions in which he worked and lived. It was quoted by Simon Reeve that these growers supply major international supermarkets.

I have already written to Sainsbury's, Tesco, Waitrose and Morrisons to ask if they have seen the program and if they are involved with such suppliers. Only Morrison's stated that they did not buy salad goods from the Almeria region. The other three simply sent me a copy of their ethical policy with regards to treatment of people working in their supply chain.

I have been unable to contact Simon Reeve directly to try and get the names of the international supermarkets that take supplies from the grower shown in the documentary. I found the contents of the program extremely upsetting and don't want to "just let it go". I was hopeful that your association may be able to find out more, if

in fact the comments made in the program can be substantiated.

**Kelvin Heywood, by email**

**Ed:** Thank you for bringing this issue to our attention. We have investigated it further, and on p36 you will find a piece written by someone from the region.

## Help us choose local

I just want to say thanks again for the insightful work you do.

I am trying to reduce my carbon footprint by choosing local products over imports. The thinking being, the shorter the distance a product has to travel to reach me, the lower its carbon footprint will be. Importing products from Asia, Africa and America is not environmentally sound and unfortunately all too common.

There's usually a price premium on locally produced products, so it's not always possible to buy exclusively local, but doing a little bit is better than doing nothing, especially if we want to become serious about keeping the global temperature rise to below 1.5°C.

I was keen to know if Ethical Consumer has any plans to bring this dynamic into scoring or alternatively provide 'made in UK' tags?

**William, by email**

**ED:** We try to apply a 'buy local' sense check to our product guides. For many items, such as bananas or smartphones, it is not a straightforward question!

## Electric motorbikes

I just read a back number (Issue 174, Sept/Oct 2018) of your excellent magazine, which focused on electric cars and bicycles, but no mention was made of motorcycles.

However, motorcycles use fossil fuels just as cars do (although many seem to be fuelled by testosterone!).

Additionally, they impose ghastly levels of noise pollution on the world around them.

Am I right in perceiving that government is excluding motorcycles from the movement away from fossil fuels and towards battery power?

**David Soye, by email**

**Ed:** The emissions regulations over the last 15 years or so have all been happening at European level and they include similar rules for motorbikes which progressively increase standards. Motorcyclists too are realising that the writing is on the wall for the internal combustion engine and lots of electric models are beginning to appear. There is even a MotoE racing series starting up for electric motorbikes. You'll be pleased to hear that electric motorbikes are pretty quiet too!

## Hydrogen cars are not the answer!

Following your article on electric vehicles (Issue 174) and subsequent letters (Issue 175),

hydrogen for road vehicles is a non-starter. Aside from the refuelling issues with gas pressures up to 700bar or liquid temperatures at minus 250°C, producing it from water using electricity (electrolysis) costs more energy than that released by burning it in air. In addition, yet more electrical energy is needed to compress and liquefy it for transport.

When generated using electricity from the grid it is called 'brown' hydrogen because large quantities of coal, gas and oil are still being used to generate it – the pollution from cars is simply being transferred to a power station. Only when produced solely from renewable power can it be termed 'green' hydrogen – though the nuclear lobby would have you believe it also produces green hydrogen.

Finally, construction of a new national infrastructure of cryogenic storage tanks at every petrol station when a simple plug-in rapid recharging infrastructure for battery vehicles already exists would be financially prohibitive.

**G.D. Johnston, by email**

We welcome readers' letters. Letters may be edited for reasons of space or clarity. If you do not want letters to be published, please mark them 'Not for publication'. Our address is on the contents page, or email us at [letters@ethicalconsumer.org](mailto:letters@ethicalconsumer.org)





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Next issue  
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mid-April

## The plastic-free kitchen

Here's some tips from Ruth Walton from The Green Shopper website on how to reduce plastic in the kitchen and live a less disposable life.

### Washing up

Washing up sponges are usually made from expanded polyurethane foam with a nylon scourer. As these break down during everyday use, tiny plastic particles are washed down the drain and enter the environment through waste water. With wooden scrubbing brushes check the bristles are made from natural fibres – lots have plastic bristles!

### Hardware and kitchenware

Most hardware stores stock metal dustpans, wooden brooms and brushes and traditional mrtsl mop and bucket sets. They are more durable so will last much longer.

When replacing pans, look out for metal handles and knobs. A good quality cast-iron frying pan will last a lifetime and develop a natural non-stick surface rather than relying on polymer based coatings such as polytetrafluoroethylene. Enamel bakeware is very durable and won't scratch like non-stick trays

do. Choose metal or wood for sieves, colanders, chopping boards and utensils.

### Waste disposal

As an alternative to plastic rubbish bags, try lining your bin with newspaper. Or switch to a smaller bin that fits old carrier bags, or find recycled plastic bin liners. Beware of 'degradable' plastic which isn't the same as plant-based biodegradable alternatives – it's just regular plastic which breaks down into micro plastic more quickly!<sup>1</sup>

### Food packaging and storage

Think of creative solutions to plastic-wrapped snacks and ready meals: keep a handy jar of nuts and dried fruit to nibble on, and batch cook and freeze your favourite soup or stew. It will save money as well as helping reduce plastic waste.

Find milk in glass bottles from [www.findmeamilkman.net](http://www.findmeamilkman.net), or [www.mlkman.com](http://www.mlkman.com) for vegan alternatives! It's a popular myth that glass uses more energy than plastic due to it's weight - studies have shown that as long as it's reused enough, it's kinder to the environment.<sup>2</sup>

Quit plastic containers! Lidded heatproof glass containers work wonders for storing and reheating leftovers. Indian supermarkets are a good place to find stainless steel 'tiffin' tins.

If you can, get fresh produce from a local community garden or farm. Otherwise, veg box delivery services will often collect packaging with the following week's delivery. Soil Association organic certification guarantees that food packaging is free from harmful plastics such as PVC, GM materials and phthalates.



**References:** 1 <https://www.1millionwomen.com.au/blog/plastic-bags-whats-difference-between-degradable-compostable-and-biodegradable> 2 <https://friendsoftheearth.uk/plastics/plastic-or-glass-milk-bottles-crate-expectations>



## Final departure



Tourists and children in Kenya getting to know each other thanks to Into Africa, one of Tourism Concern's approved Ethical Tour Operators.

*Simon Birch laments the passing of a pioneering organisation.*

**I**t was last autumn that, after struggling financially for many years, the ethical travel campaign group Tourism Concern finally threw in the towel and quietly closed its doors for the last time.

What makes its demise such a blow is that Tourism Concern was the UK's only campaign group to stand up and take on the monster that is today's global mass tourist industry.

With an annual turnover of more than a staggering seven trillion dollars, tourism is now widely accepted as being the world's biggest industry.

Not surprisingly though, such an industrial colossus is not without its share of ethical issues and Tourism Concern was launched back in 1988 to challenge tourism's increasingly negative impact on both people and the planet.

### Difficult issues

The group launched punchy awareness-raising campaigns covering a wide range of pressing issues including the exploitation of hotel and cruise ship workers and the ethics of visiting shanty towns.

Plus, they also asked difficult questions such as should you visit countries where human rights are being violated, and is it OK to use Airbnb given of its impact on local communities?

"Our role was to provide information so that people could make better and more informed decisions about their holidays," explains Mark Watson, Tourism Concern's last Chief Executive.

To help people choose less ethically dodgy holidays, Tourism Concern developed a standard for ethical tourism which put benefits to local communities front and centre.

It then published guidebooks for the global ethical traveller as well as promoting its own approved tourist projects via its Ethical Tour Operator Group.

### Africa and Asia

But, given that many of the issues that Tourism Concern was campaigning on, such as that Airbnb are now attracting such widespread interest, why did it fail to get sufficient support?

"From a campaigning and marketing point of view, it was always very difficult to communicate compelling messages and stories about tourism's negative impact," admits Watson.

Plus, whilst some of Tourism Concern's work centred on Europe, most of its efforts were focused on the developing economies of Africa and South East Asia.

"This is in itself was a problem as the people who could afford these kinds of holidays invariably were well off. Consequently, it was hard to fundraise for projects to mitigate the impact of wealthy tourists," says Watson.

### Flying and carbon

At the heart of Tourism Concern's work, though, was an ethical conundrum which Watson accepts was always impossible to solve:

"The big elephant in the room with the whole of the tourist industry is the environmental impact of flying to your destination and its contribution to climate change," states Watson bluntly.

Simply put, a holiday may be ethical, but the reality is that flying to your women-run community tourist lodge in Nepal is the most environmentally damaging aspect of your whole holiday.

Not that Watson believes that travelling is bad, far from it:

"Travelling itself is a good thing as, rather than being isolationist and xenophobic, going overseas and meeting different people and experiencing new cultures are all positive," believes Watson, adding that:

"Maybe if more Brits or Americans had travelled then perhaps we wouldn't have had Brexit or Trump!"

The challenge, according to Watson, is that we've got to work out how we can get the benefits of travel without the downsides of adding to climate change:

"The current model of an annual two-week holiday came about with the way we worked in the past when whole industries and towns shut down, but is this still relevant today?"

Instead Watson believes that rather than going on holiday overseas for just two weeks every year, we should be looking at getting away every four years but staying for two or three months.

"You'd really get to know a place in that time," says Watson, "and, significantly, it would be better for the planet."

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