



Paris, 12th June 2008

FOOD RETAIL FACES ITS BIGGEST CHALLENGES EVER

World's top retailers gather at CIES World Food Business Summit

Food security; food safety; rocketing commodity prices, fuel prices and other input costs; threats to energy supplies; environmentally sustainable development; food shortages; the impact of biofuels on food production; changing eating patterns; global warming and its effect on food production; changing consumer habits and demands.

These are but some of the major issues that will fall under the spotlight at the 52nd World Food Business Summit, being hosted by CIES – The Food Business Forum, the world's only independent association of food retail companies, suppliers and co-operatives – in Munich, Germany, between 18-20 June 2008. The theme of the conference is *Growth and Sustainability – Building Profit with Responsibility*. CEOs, chairmen and senior executives representing more than 430 of the world's largest retailers, suppliers and manufacturers will attend the Summit.

"It is common knowledge that the rising cost of food is cause for great concern around the world. The reasons for this are manifold, but the effect is singular: there are enormous challenges when it comes to feeding our planet's human population, and the poorest of the poor are already suffering the most. Staple foods such as rice and maize are under growing pressure in terms of production, the diversion of precious agricultural land away from food production to biofuel production is leading to widespread food insecurity, we are reaching a crucial stage when it comes to ensuring our planet's long-term environmental sustainability, to name but a few of the issues," says CIES CEO Alan McClay.

"Food-related challenges are also not uniform the world over – but, in our globalised world, what happens in one country affects people on the other side of the world. For example, increased demand in Asia for meat means that more maize than before is used to feed cattle, making maize a scarcer – and more expensive – commodity for poor communities in the developing world. In other words, because one part of the world eats better, another part starves. In this day and age, this is indefensible.

"By the same token, consumers in Europe are huge consumers of FMCG goods – but they are also more aware of environmental sustainability issues than elsewhere, to the point of being prepared to pay more for food that is organic, locally sourced, or procured according to fair trade principles. Elsewhere in the world, however, such as in Africa or South America, sustainability takes a back seat to finding ways to simply fill stomachs," adds McClay.

"To compound matters, many of the issues are inextricably interlinked. We face the problem of aggravating one challenge while constructively addressing another. By promoting a resource such as biofuel over a finite resource such as fossil fuels - which is a laudable investment in the future- one exacerbates food scarcity and insecurity."

"Food retailers also find themselves at the crossroads of so many of these issues. We need to make sure that consumers can obtain the foods they not only need, but also want, at competitive prices. But we also need to meet the challenge of ensuring that what we do and what we sell is of the highest quality, is ethical, and is sustainable. Two of the UN's Millennium Development Goals – eradicating extreme poverty and hunger, and ensuring environmental sustainability by 2015 – are particularly pertinent to our industry, and it is incumbent on us to play our part.

"Thus, we are not simply grocers or producers any more. Because of the scale of our activities, we must balance making profits with making the world a better place – hence the theme of this year's World Food Business Summit: Growth and Sustainability – Building Profit with Responsibility," says McClay.

*For further information,
please contact [Anne Malbrancq](#)
on +33 1 44 69 99 20 or on +49 (0) 17 617 368 903
during the CIES Munich Summit.*