

IKEA Belfast

2/12



Key Points



IKEA Belfast aims to place sustainability at the core of its operations

Constructed rainwater harvesting system, biomass burner and optimised supply chain

Currently investigating threat from being on a floodplain

Increased resilience at the store

IKEA Adaptation - Monitor your premises, network and supply chains, look for vulnerabilities and then assess actions which will increase resilience

This case details the efforts that IKEA Belfast has made in adapting its premises and operations to climate change. Some areas of this case sit within the flooding action category of the Northern Ireland Adaptation Programme.

IKEA is the largest furniture manufacturer and distributor in the world. Started in 1943 in Sweden, it has now spread to 39 countries with over 340 stores and a global turnover of €27 billion in 2013. However, IKEA operates in a different way to many other global retailers. Much of its profit is returned to community projects around the world through the IKEA Foundation. It openly declares its intention to be the "Leader in Sustainable Life at Home" and holds sustainability at the core of its operations, from using responsibly-sourced wood to recycling.

This emphasis on sustainability also extends onto its premises. IKEA Belfast opened in December 2007 and has so far attracted over 1.5 million visitors. The store is based in East Belfast, not far from the mouth of the River Lagan and directly parallel to George Best Belfast City Airport. Since the opening, the team have attempted to make the store as efficient and resilient as possible and this, in turn, has begun to spread through the workforce. For example, every member of staff takes part in their successful recycling scheme. Northern Ireland is expected to face some difficult periods of extreme weather in future and IKEA has taken note of this and begun work to make its store resilient as best it can.



Overview

IKEA Belfast aims to become a leader in sustainable living through its promotions of efficiency and ethical actions on recycling and sourcing of materials. It also aims to reduce its emissions and make its store as resilient to climate change as possible.

Water and Energy Resilience

The store has a large in-built water harvesting system on the roof which currently provides water for the toilets on site. Urinals on-site are also water-free, further decreasing the use of water on-site.

IKEA, like many major retailers, has backup generators which will provide electricity for a few hours, should there be a shortage. However, the store is also equipped with a large Biomass burner which it uses to heat the building.

Supply Chain Efficiency

IKEA has created a system of major efficiencies in its supply chain. For example, lorries carrying stock are not allowed to have any more than 2cm of air in the compartment. This efficiency allows IKEA to have maximum efficiency within every delivery, minimising the need for extra journeys.

Investigating Flooding

IKEA Belfast is currently investigating the potential for future flooding impacts on the store and its operations. Due to its proximity to both the Lagan and other watercourses, it may be at risk of flooding in an extreme weather event.

The project is only in its very early stages but IKEA is taking it seriously, working with the new Rivers Agency Strategic Flood Risk maps to try and gain as full a picture as possible about the threats faced and subsequently what can be done. IKEA Belfast lead the way for other branches to undertake work in order to assess potential risk.

Recycling

IKEA Belfast has put a great deal of emphasis on recycling rates given the importance of resources to a business of such global scale. Through careful planning and implementing a focus on recycling throughout the entire workforce, IKEA Belfast's annual recycling rate is around 90%.

Resource Procurement

IKEA focuses on the responsibility it has as the world largest furniture manufacturer, to manage its resource procurement and production ethically and efficiently. Its long-term goal is to obtain all of its wood from 'responsibly managed forests,' which it vets through its IWAY process. For example, all producers must be able to show the origin of their trees. 2010 supply chain audits showed that 97.1% of the wood met the IKEA minimum requirements.

Around 0.6% of all cotton grown in the world every year ends up in an IKEA product. So IKEA has been trying to increase the amount of sustainably-produced cotton they purchase over the past few years, on top of the 50% achieved so far.

Challenges

IKEA Belfast has been unable to increase the amount of renewable energy on-site. The plan to install solar panels on the roof has been ruled out; the soft substrate conditions making further construction inappropriate. In addition, the construction of a wind turbine is not permitted because of the proximity to the airport.

IKEA is a busy retail unit and so it has limited resources with which to carry out a major flooding project itself. It must rely on trusted external partners.

Climate Adaptation

Many of the efficiency and ethical actions that IKEA has been involved in over the past number of years also have adaptation benefits.

The water-harvesting system on the roof ensures IKEA is more resilient against periods when water supply may be running low. Energy generation on-site will also allow IKEA to continue operations in some form, should the supply of power from the electricity grid be interrupted.

Monitoring supply chains for vulnerabilities or to achieve the highest possible efficiency is another form of resilience. Making fewer journeys reduces risk of interruption to the chain.

The most obvious form of adaptation at IKEA Belfast is its interest in the threat of flooding to the store. A small, initial project is being carried out which should frame the argument about the current threat from coastal and river floods. IKEA will base any decisions to act on this initial project and any subsequent professional assessments which may be carried out on river flow rates or the suitability of land for a SuDS system.

IKEA is showing adaptation credentials around the world and this is important to recognise because no store, especially a multi-national corporation like IKEA, works within a closed system. Saving 20% more water in cotton growing regions around the world is an example of good adaptation.

Waste can be troublesome when sent to landfill, sometimes releasing contaminants into watercourses in the case of heavy rainfall, or blocking the drainage of water. So the less that is sent to landfill, the better it is for people and the environment. IKEA Belfast's huge push for recycling shows how businesses can play an important role in this.

Lessons Learned

IKEA is a huge global retailer and so it serves its interests to be sustainable, because it can see that it is often, both ethically and financially, the correct choice. Adapting to flooding may cost money to investigate fully, but the store would lose out on significant income if either the premises were flooded or customers could not reach the business.

For a company to focus so much on sustainability and to donate so much to charity while still being as successful as it is, offers reassurance to other businesses.

Others may not have the global corporate force or finance behind them as IKEA do, but often sustainability means profitability. It is well worth taking the time to monitor your premises, network and supply chains, look for vulnerabilities and then look for actions to become resilient. Often these might even fit into the current business plan.

Successes

IKEA Belfast has had success with many of its projects, from recycling to the construction of the water-harvesting system and Biomass burner. This has offered the store much greater benefits in terms of efficiency and resilience.

IKEA, as a global organisation, has achieved much in terms of its resource procurement but there is still much to do. IKEA has been teaching cotton farmers techniques such as drip irrigation which has saved over 20% of the normal amount of water required for cotton growth. In some areas, yields have also improved by 20% while the use of pesticides has reduced by 35%.

IKEA Belfast is beginning to influence IKEA UK to think about the risk of flooding.



Water Harvesting System, IKEA Belfast



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