

Meeting notes

Date 10th September 2019

Attendees:

Committee Chairs: Victoria Moorhouse - Costa, Krisztina Szalai - Taylors of Harrogate

BCA: Tracy Brown – BCA

Committee: Louise Whitaker – Bewley's
Mohit Gordhan – Equatorial Traders
Viandrei Cuevas - Halo
Sarah Lim – Halo
Toby Bevans - JDE
Marie-Anne Rogers – Masteroast
Julie Gallacher – Nespresso
Sadie Walton – Ringtons
Hannah Ward – Twin

SHED: Sebastian Stokes

Observer: Will Corby – Pact Coffee

Speakers: Caroline Glowka, Program Manager – Global Coffee Platform
Joe Booth, the UK Lead, Markets Engagement - Rainforest Alliance

Apologies: Richard Williams – Falcon Coffees
Louise Lloyd-Rossi – FFI
Subathra Vaidhiyanathan – Finlays
David Rogers – Lavazza
Amy Oroko- Matthew Algie
Richard Price – Menshen UK
Anna Turrell - Nestlé
Danny Diver – Ringtons
Stephen Drysdale – Ringtons
Hannah Eatough – Taylors of Harrogate

Subject BCA Sustainability Committee Meeting

1. Competition Law Rules

It was proposed that the meeting would run under the revised FDF competition law compliance rules previously distributed, copies were made available within the conference room. If Members would also like this to be re-circulated please do ask the Secretariat.

2. Notes from the Last Meeting

It was noted by TBev that the previous meeting minutes in June should clarify what specific types of coffee prices were discussed when it comes to the “Coffee Price Crisis”. It should be clarified where the focus of discussion took place e.g. on green beans, rather than retail / coffee shop coffee.

3. Welcome & Introductions - (led by Krisztina Szalai)

KS asked if everyone could do a quick round the room introduction as we have a few new people attending this meeting.

4. News Round-Up

(led by Seb Stokes)

SS gave a Sustainability News Round-up for Q3 2019.

The UK national media has looked into specific origin countries including Guatemala and Indonesia and how the coffee pricing lows on green coffee beans are impacting rural livelihoods and farmers.

The coffee price story has also started to shift in the UK too, with the coffee price drop journalists have been asking why are consumers not paying less for their cup of coffee at the supermarket or on the high street. It was noted that SHED has taken an action from the Communications Committee meeting to revise the current media statement on this.

Some media attention noted around Jeffrey Sachs' proposal for a coffee fund to help poor farmers out of the current pricing situation. However this has received mixed reviews from third party commentators, including around the practicality of the proposal and its governance.

Experts have recommended a 'latte levy' of 25p per cup in Scotland, they are pushing ahead on this issue at pace whilst Westminster has been in the throws of Brexit, which we will continue to monitor.

INCPEN & WRAP have undertaken a UK survey in 2019 on citizens' attitudes and behaviours. It was noted that members should explore this paper further as it shows how consumers are looking for their packing to be totally recyclable and how these are impacting purchasing decisions.

Resources and Waste Strategy

DRS will be going into a second consultation in 2020 to likely be implemented in England, Wales and Northern Ireland in 2023. The BCA and BCA Board need to look at working with Matthew Orman (Public Affairs consultant) with support from SHED on getting alignment within the membership of how the BCA should input into the second-round consultation. For example, do members want the BCA to advocate for EPR over DRS, or is there a preference for which type of DRS model (All In vs On the Go) that relevant BCA members would prefer. This work should be led by Matthew and the BCA ahead of the second round of consultations in 2020.

EPR, drive to move this forward, some companies could have a double impact from both DRS and EPR. Scope of EPR will be defined through a second consultation in 2020 and look to be implemented in 2023.

Recycling consistency was one of the most well supported Resources and Waste consultation streams. We can expect to see new legislation for local authorities on what materials they can collect and recycle but also new legislation on labelling for packaging to make it clearer for consumers.

Plastics Tax is expected to be announced in the November 2019 budget with a follow-up consultation led by the Treasury to define which specific products are in and out of scope.

5. Coffee Prices Update

(led by Krisztina Szalai)

KS noted that we will not be discussing any specific UK coffee prices, but focus on the ICO Resolution 465 on Coffee Price Levels. KS has included links to specific reports, these will be included with the presentation to be sent out with the minutes and make interesting reading.

KS noted the #CoffeePledge campaign via the ICO to 'support a living income for coffee farmers' – and to sign the pledge, this is also targeted at consumers not just industry, and aims for 1 million signatures by International Coffee Day (1st October).

KS also referred to the SCA Coffee Price Crisis Task Force, again if you are not currently linked to this initiative, it could be worth reading.

The Speciality Coffee Transaction Guide has research being undertaken.

6. Presentation from Global Coffee Platform (GCP)

(Including Q&A with guest speaker Caroline Glowka, Program Manager)

KS introduced Caroline Glowka to the BCA.

CG noted to all present that the BCA are members of the Global Coffee Platform.

CG gave an overview of the GCP, they have over 140 members globally and work together with 11 countries who are financially supported.

Key objectives include:

To build a thriving and sustainable coffee sector

- Improved livelihoods
- Farmer prosperity
- Conservation of Natural Resources

To convene, with cooperation of partners, to align and not duplicate efforts.

The board consists of people from

- Industry
- Civil Society
- Producers
- Trade
- Additional

Country Coffee Platforms

- Multi-stakeholder forum
- National Sustainability Curriculum
- Identified Sustainability Gaps (social, economic, environmental)
- Improving the enabling environment

Coffee Sustainability Curriculum (CSC) – incorporating best practices. The GCP Brazil Program, training basic and advanced models are rolled out by using a CSC App. **‘CSC platform – Learning from mistakes to change paradigms’.**

Something that GCP have been doing for a number of years in conjunction with the Rainforest Alliance is the Country Platform Congress, where origins can get to know each other and discuss both issues and best practice.

Member Initiatives

The Members are working pre-competitively to address all identified issues, alignment with national coffee platforms and their strategies and promotes alignment with other initiatives.

Benefits for Members

- Increased Scope
- Increased Scale
- Better use of output
- Co-investment
- Shared risk
- Recognition

Status of Member Initiatives

Brazil – Responsible use of agro-chemicals

Vietnam – More coffee with less water

Uganda – Towards integrated extension services

In development

Vietnam – Responsible use of agro inputs

In focus for future

Brazil – Labour conditions

Honduras – Soil fertility mapping

Finished

Brazil – Weed management

KS asked if non-members of GCP could participate in these initiatives. CG noted yes, they could, but there were different criteria for non-members to participate.

Facilitate Measurement

Measurement at GCP

Common Indicators

- Sustainability Progress Framework
- ISEAL Innovation Fund: Coffee Data Standard
- ISEAL Innovation Fund: The Delta Project

National Sustainability Curricula

- Country-specific
- Practice based
- Baseline for regional continuous improvement

GCP Call to Action to Collectively Address the Price Crisis

1. Engage with international coffee exchanges
2. Encourage Roasters & Retailers
3. Activate stakeholders in producing countries
4. Mobilise governments, private sector, civil society, donors

Cooperation: BCA & GCP

1. Working towards a circular economy for the UK coffee industry.
2. Driving responsible sourcing practices that enhance existing standards.
3. Improving the long-term resilience of coffee farmers at origin that safeguard human rights.

7. Presentation from Rainforest Alliance

(Including Q&A with guest speaker Joe Booth, the UK Lead, Markets Engagement)

KS introduced Joe to the Sustainability Committee.

The Rainforest Alliance (RA) is an international NGO.

Vision – Is a world where people and nature thrive in harmony.

Mission – Aim to create a better future for people and nature by making responsible business the new normal.

- RA coffee programme reach saw at 13% relative area growth between 2017 and 2018.
- Global sales are up again by 9% - 2017 and 2018.
- RA Volumes imported by region; Europe is still leading the way.
- Estimated production up 15%.

Supply and demand – market reach

Volumes exports represent on average, 40% of the estimated Rainforest Alliance Certified.

TBev asked why the supply ratio could not be at 80% rather than 40% - JB noted that it gives the market the flexibility, and if the supply and demand ratio was at 80% you would not have that flexibility. JB added that some farmers will also have multi-certification standards.

Multi-certification

RA and Utz will be merging in 2020.

Coffee studies from our 2018 impact report

Significantly higher profits and economic returns.

2020 Certification Programme Update

Farm Standard

Standard Revision Timeline 2019-2020

- Sector specific Premium Development
- Further engagement on Agrochemicals

2020 Farm Standard – Some Key Changes

Premium – a change from the current Rainforest Alliance programme is the introduction of a mandatory premium Rainforest Alliance Certified tea, coffee, cocoa and bananas.

Gender equality – is more emphasised in the new standard, with explicit criteria on empowerment of women

Assess and Address - with regards to discrimination, child labour, forced labour and all forms of workplace.

Premium

Round 1 of consultation showed majority in favour of some intervention on price.

RA Standard – Premium

Core to the successful impact of certification is the assumption that the market will incentivise producers (with a better price) to implement sustainable practices.

KS asked when is RA planning to ask for feedback on their new premium strategy and given that it is already mid-September, is it realistic to expect the new standard to be published in Jan 2020. JB said it is not yet clear when RA is going to communicate their new premium strategy, nor when they will open it up for feedback. KS asked whether it could be done via face to face engagement or an online consultation, JB noted a mixture of both.

VM asked what was the qualification of Premium, JB noted that this had as yet, not had the definition finalised, it could be somewhere along the lines of Utz Premium, but not defined at this time.

WC asked what the level of commitment in regard to Premium would be, are RA going to track. JB noted that this was still currently up for discussion.

LW asked if there was any collaboration between the certification schemes, as many there are many schemes including brands own where customers can become confused. JB noted that with the RA merger and Utz, this will make it the largest certification scheme and reduce the numbers of logos on packaging.

Agrochemicals

Separate process: Agrochemicals approach was neither updated nor consulted on the first consultation.

In expert panel meeting Rainforest Alliance was asked to put further steps towards limiting use of toxic substances.

Process to be worked out further based on the feedback.

Other elements of the 2020 certification programme

- Chain of custody
- Assurance
- Traceability
- Mutual recognition
(Utz Certification Label can be placed on a RA product but currently not in place for coffee at this time as a lot more complex.)
- Development of a new seal
(Currently in the process of having a new seal – likely to be nearer to the RA logo than Utz, currently in the design phase, consumer testing in November may then have some further changes after that, then approval by the Board for launch at some point in 2020.)

A question was raised in regard to deforestation, JB noted that this is still to be finalised but likely to be closer to the RA approach rather than Utz.

Economic viability of farming

This will be addressed within the new standard.

Economic viability of farming – Advocacy and Alliance approach

To stand up for complicated issues that can't be fixed by technology alone, and will be looking to align more with other organisation such as the recent alliance with GCP.

Climate Change Alliance

New: Climate Smart Coffee website and tools

www.Climatesmartcoffee.csa.guide

This is extremely worthwhile viewing.

A question was asked about the Global Coffee Catalogue and the Toolbox, and whether there is duplication, it was explained that the Toolbox is very much aimed at the field.

8. Update on Sustainability Committee Survey

(led by Krisztina Szalai and Victoria Moorhouse)

KS noted that this Committee has now been operating for around 3 years, so time has been taken to have a refresh and how we move things forward. VM noted, should the BCA be the mouthpiece around specific topics. VM added that following the last meeting with all the hot topics, a survey was sent out to the Sustainability Committee.

- **Key Findings**

Priority Areas: Resilience at Origin

Top 3 Areas

- Climate Smart Farming
- Attracting youth / Next gen in coffee
- Plant science and crop resilience (WCR)

There was some surprise in the room that gender equality was so low on the list of priorities, but this was often being raised and perhaps should be a focus. It was noted that this could also be folded into the Next Gen focus area that sits in the top three priorities.

LW noted that perhaps there is a way of using the BCA to educate, not just the consumer but the industry, to tell the story of coffee.

KS noted that within the Communications Committee there was a discussion on position statements around coffee pricing, both at the farm level and also general coffee prices on the high street and supermarket. If any Members present would want to be included and consulted in regard to revision of these statements, please contact the Secretariat. SS noted that we will likely need to look at these soon with the upcoming ICO Coffee Leaders Forum later this month.

Action: ALL

TBev noted that all the priorities are important ones, but how could the BCA act on these, that require a response that is relevant to the 'British' market, as we would not want to have a different alignment than those of organisations such as the ECF etc. on global matters.

All present agreed that looking at 'British' market related issues, which would include issues such as Modern Slavery/Human Rights and Risk Assessment within the UK. JG noted that perhaps we have to look at the 3 Pillars of the Sustainability Mission document, as to how or what the BCA can action.

TBev noted that this forum has a lot of hot topics that would likely drive the agenda for the other Committees such as Communications. TBev noted that there are multiple resources of information that the BCA has access to, such as the ECF that perhaps are not communicated fully. KS noted that we don't want to replicate what other organisations are doing but to link in with them such as the SCA to collaborate and share information.

BCA level of engagement

- Most members are asking for information sharing
- Collaboration opportunities to be identified

Priority Areas: Responsible Sourcing

- Modern slavery and human rights
- Role of Certification and beyond certification
- Living wage / living income

BCA level of engagement

- Information sharing
- Collaboration

Priority Areas: Circular economy

- Influencing policy, e.g. government resources and waste strategy
- Re-use and recycling
- Waste management – zero waste to landfill

BCA level of engagement

- Information sharing
- Collaboration
- Position statement for external communications

- **Focus Areas for Next Meeting**

Modern Slavery Reporting best practice / supply chain transparency.

MR mentioned that it could be useful to include a topic on disruptive technology and have a tech company come in to present on technology and apps

9. AOB

- ECF Sustainability Committee Meeting 12/09/19 (attended by KS and VM update to be communicated)
- 125th Session of the International Coffee Council Coffee Leaders Forum 23-27/09/19 (TB noted that under the umbrella of the ECF the BCA, and our Chair Tom Blackwall has been invited to attend the PSCB meeting)
- V&A Open Exhibition – Discover the provenance of your coffee

- ECF Sustainability Stakeholder Workshop 27th November (KS noted that until May this year the ECF did not have a Sustainability Committee, and to drive this forward the workshop is being organised)

10. Dates of Next Meeting

- **Tuesday 3rd December 2019 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Room Cleminson & Bodinnar