

Meeting notes

Date 1st December 2020
Location: Via Conference & Video Call

Attendees:

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

BCA: Paul Rooke – BCA Executive Director
 Tracy Brown – BCA Secretariat

Committee: Roxy Rocks-Engelman – Cafédirect Plc
 Nigel Hallam – FFI
 Joanne Caffrey – JDE
 David Short - JDE
 Julie Gallacher – Nespresso
 Sadie Walton – Ringtons

SHED: Sebastian Stokes
 Alice Sinclair

Apologies: 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.

KS noted the Anti-trust statement at the start of meeting.

2. Notes from the Last Meeting

The minutes were approved.

3. Welcome & Housekeeping

VM noted the housekeeping rules and the agenda for the afternoon.

Introductions round the virtual room were made.

VM noted that she will stepping down as Co-Chair at the end of 2020, so this will be the last meeting in this position but added she will continue to attend these meetings and be part of the Committee.

4. News Round-Up (*Presentation Attached Separately*)

(led by Sebastian Stokes)

SS gave a quick media round-up from the last 3 months, including items the BCA has been communicating on.

- The BRC launched their climate action roadmap in November, UK Retail agreed to reach its zero-carbon target by 2040, 10 years ahead of the 2050 target this set by the Governments.
- The BCA actually had the BRC present on our last webinar on Moving Toward a Net Zero Carbon Economy in the Coffee Industry, a very well attended webinar, with around 72 attendees, this was very much an on-topic trend webinar.

- There was a study that got picked up in some trade media, looking at the impact of Covid on coffee farmers in Kenya, Zimbabwe, and Ethiopia and found that over 70% of coffee farmers had been financially impacted due to the pandemic.
- Olam launching a sustainability initiative called LENS, with a set target of 2025 to start to improving farmer livelihoods, education and reducing negative impacts on the environment, this has a number of organisations who have signed up to support the initiative.
- The Metro – Costa have launched a reusable anti-bacterial coffee cup lid.
- BBC News - How Covid is devastating the lunchtime economy for our sector, and how it is impacting the whole food and drinks sector, including with the recent announcement about Caffé Nero. The BCA has been very vocal on this issue in the national media.
- The BCA was delighted to see and be part of the Nestlé and JDE joint UK wide coffee pod recycling scheme, Podback, with a call to other sectors in the industry to join it. PR added that the BCA has been the Secretariat at these meetings, helping to coordinate/facilitate those meetings and those with further companies. One of the wider issues that we are looking at beyond this will be to work with local authorities to develop a unified recycling infrastructure approach.

DS noted that as well as the Podback scheme that has developed, it is good to hear about the ambition for mainstream household recycling of aluminium and capsules, Germany are one of the countries that are well ahead with the Nespresso pods being able to go into the mainstream waste. JC added that is good to see a move and collaboration on this broader industrial issues.

VM asked when the launch might be - JC noted not set in stone as yet but hopefully in Q1 2021.

RRE asked if PR had any details as to retailers' specific targets or strategies for recycling, with some lifting products that do not meet their targets. PR noted that he is conscious that various retailers have spoken about this but did not have an answer today, we can certainly look to find out further information and pull some details together.

Action: PR

VM noted that there are several companies who are setting Net Zero targets, usually around the 2030 - 2040 area and aligned with the BRC. Some organisations are not necessarily setting a target but a commitment to work towards it. VM added that it might be good to establish what targets brands do have in place in the coffee sector and understand what the direction of travel is.

KS asked if the BCA Membership would like the BCA to have a target, or to perhaps do some sort of study on this, but this could depend on Comms resource. PR noted that it would be in the hands of the Membership as to what their aspirations are and if they wish the BCA to have a target.

RRE noted that Cafédirect have launched internally similar targets to Net Zero, by 2030. RRE added that COP are looking for British representation across different sectors to demonstrate best practice, and would love to see the BCA to set an ambition that they could support and also for the BCA to be at COP.

JC noted that that this time JDE would not be able to align to a carbon commitment at this time as they are just at the start of their journey.

VM noted that perhaps this could be an agenda item for the next meeting to dive in a bit deeper.

Action: BCA

5. ICO CPPTF Roadmap

The ICO set-up the CPPTF following the London Declaration in 2019, to establish what the industry is going to do after a period of low pricing and the sustainability of coffee production.

There are 7 topics that the task force set out; PR noted that he would only go through those that are the most sustainability specific which were:

1. Living, Prospering Income, Resilience and Inclusion of Women and Youth
3. Responsible Consumption
4. Sustainable Production & Sourcing
6. Global Funding Mechanisms
7. Sector Coordination

Each of the topics has a working group looking to drive things forward.

PR added that technically we are only observers at the ICO, but we continue to have conversations with the ICO and can input around the margins.

For note the activities have only just been established for just over a year.

There were two specific questions for the Committee to consider: Firstly, should the BCA look with the limited resource it has to work with the ICO where possible on the development and delivery of the roadmap and, secondly, within this Committee or the Association would there be interest in participating as an individual or as an organisation in the Sustainable Production & Sourcing workstream. KS noted this workstream is being led by the SCC. Anyone interested was encouraged to get in touch with or PR.

VM asked if there an action plan that the ICO were going to put out and how this might impact businesses. PR noted that the roadmap has an initial time span from 2020-2030, they are just a year in and as you can imagine there have been some slight delays this year with some of the themes getting going. By the end of 2025 understanding and commitments required from the groups was intended to be in place, and then the second half of the 2020's this is when you start to see the actions actually kick in and as appropriate the measurements. PR noted that there is a roadmap slide that we can include with the minutes to give a bit more context.

Action: BCA

6. Sustainable Coffee Challenge

PR noted that a commitment was drawn up and submitted, but the SCC changed the structure of the commitment and assistance was needed to finalise a number of questions before our commitment can go live.

- PR ran through a number of questions relating to the commitment, its focus, coverage, metrics used and which of the UN Sustainable Development Goals it would cover. The Committee agreed responses to the questions although it was noted the process was more suited to individual company commitments rather than one being made by an association.

7. Deforestation – Position Statement

PR noted that this was raised at the last meeting, consultations were running both in the UK and the EU. The EU consultation did mention coffee as one of those commodities, the UK did not. From a UK perspective we also have the Environment Bill still going through parliament.

The Bill does not give a specific list of commodities as these will appear in secondary legislation – therefore still possible that coffee may be picked up at some point.

It was noted the definition of “forest” given in the Bill's Schedule covering deforestation may exclude shade coffee production which, if correct, would give some greater degree of flexibility.

PR noted that the ECF Sustainability Committee have been developing a position paper which has been circulated, and questioned whether the BCA should be looking to develop something on a UK basis, we look to be guided by the Committee if they feel this is appropriate. JC noted that as an organisation perhaps we should have a position statement on deforestation, how does this fit in other areas of Sustainability. KS noted that that we have had in the past media led position statements on topics such as modern slavery. VM noted that we have focussed on topics that were raised at UK level with a focus on coffee, whereas currently this legislation does not, normally we have done these on an adhoc basis when an issue was raised. If there is sufficient interest from the Committee, we could look to align with the ECF and we should keep this on the radar.

- **Recycling Update**

- **EU**

From an EU perspective we have the EU Directive 2019/904. By this time next year Member States will need to have a plan in place to deliver a 'substantial reduction' in consumption of cups by 2026. This does not include Polystyrene cups, as these are not to be placed on the market after 3/7/21.

- **UK**

Following the plastics consultation earlier this year HMRC had confirmed the tax of £200 per tonne will apply from April 2022 where you have less than 30% recycled plastic content. There is very little change to the bill that was issued prior to the consultation.

Coffee cups and capsule will fall outside the scope of tax.

Within the draft environmental bill there are schedules that pick-up Producer Responsibility, Disposal Costs etc. this is where the primary legislation will sit.

DS asked if the EU directives are not in place by the 31/12/20 they will therefore not be carried over, PR noted that his correct, and the UK is on a slightly different timescale to the EU, but we might end up with scheme that are broadly similar. PR added that there is some pressure from MPs etc. where cups might sit regarding tax, possibly within DRS.

8. BCA Meeting Format

KS noted that in our previous sessions we have had 2 guest speakers per meeting, presenting on a specific topic, intentionally today we did not include any speakers due to the strategic detail we need to cover today.

KS noted that moving forward we will look to keep the style of meeting we have had today, with where relevant a guest speaker. We will look to utilise the BCA webinars as the forum for expanding topics/information sharing, with the next session on the 8th December. This will of course need to be discussed with the new Co-Chair when we have that person in place.

VM noted that regarding the meeting format, the terms of reference set out what the aims and the objective of the Committee was, we want to try and get more collaboration based and more engagement.

KS noted that if Members have any ideas as to specific webinar topics that the BCA could look to run, please do let us know.

PR noted that he was interested in one around sustainability and genetics, and looking to do one with World Coffee Research, and would be happy to know if this is of interest.

Webinars coming up:-

- Digitalisation - 8th December 2020

PR reiterated please do come back to the BCA if there are specific topics that you may wish the BCA to pursue.

Action: ALL

9. Committee Constitution & Co-Chair Update

Regarding Committee Constitutions we are trying to have as much as possible standard constitutions that we want to get ratified at the AGM in March.

KS wanted to extend her sincere thanks to VM for all her assistance as Co-Chair of this Committee as this is her last meeting. We have achieved several milestones during this time including the launch of the Sustainability Mission and Bean to Bin and Beyond white paper.

VM noted that she will continue to attend the Committee meetings and continue to support the Committee until the end of 2020.

KS added if there is any interest in joining at Co-Chair please feel free to reach out to the Paul or Tracy at the BCA.

10. Date of Next Meeting

- **Tuesday 2nd March 2021 – Sustainability Committee Meeting – 1:30pm – 3:30pm – Via Teams**