

Meeting notes

Date 25th March 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: Louise Lloyd-Rossi – FFI
Toby Bevans – JDE
Obiamaka Azubike – Lavazza
Amy Oroko- Matthew Algie
Maire Reier – Sustainable Harvest

SHED: Sebastian Stokes
Alice Cannell

Observers Sarah Quinodoz – Sucafina

Apologies: Thomas Blackwall – Finlays (BCA Chair)
Roxy Rocks-Engelman - Cafédirect
Oliver Rosivear - Costa
Jenny Breadmore - FFI
Mohit Gordhan – Equatorial Traders
Sam Langdon – 32 Cup

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.

The Anti-trust statement was also read out prior to the meeting starting.

2. Notes from the Last Meeting

The minutes were approved.

3. Welcome & Introductions

As this was our first remote meeting and we had some new attendees, introductions were made and everyone welcomed during this very challenging time.

4. BCA Executive Director, Paul Rooke – Introduction

PR introduced himself and gave a brief history of his previous position, and that his working life has been with trade associations. PR noted he had been looking after companies that have been selling into UK farms, multi-sectorial products. PR added he had experience at a European level including collaboration with FoodDrinkEurope as well as previous work with the Food and Drink Federation.

PR noted that he is very happy to hear from Members as to what are their priorities and what help the BCA can offer.

5. Covid-19 Update

PR noted that the coffee sector does fall within the Key Worker definition covering food production workers, but this fundamentally means those who can only do their role on site, not those who could work from home.

Although Key Worker status currently means those individuals can take their children to school and utilise public transport, this may change as we move further along, and further restrictions may be imposed.

PR noted that currently business rate relief only falls to those in the hospitality sector.

A view needs to be taken of the wider issues around supply from origin, and also in regard to contracts including – force majeure.

PR noted that businesses will now have a focus on the immediate and short term, and with that what might the potential implications might be on sustainability initiatives and longer-term thinking.

PR noted that currently Brexit is still on the table with the timetable still being 31st December 2020, but likely this will come back on the table and need to be revised.

KS noted that there is an open call to the Members of the BCA to let them know impacts of COVID-19 on the supply chain, information could be collated and shared back out to the Membership. KS noted that volatility of coffee prices of the last 18 days, and likely this will continue.

6. News Round-Up

(led by Sebastian Stokes)

SS echoed points raised by PR and SZ, that he would much appreciate updates from the Membership, to enable us to communicate to trade media on the implications of Covid-19.

SS noted that within the Government's Budget on 11 March, the plastics tax was set at £200 per tonne. We are looking at possibly bringing in Public Affairs Consultant - Matthew Orman of Harcourt Public Affairs to assist with a BCA response into this consultation.

SS noted that within the European Green Deal, this had considered coffee capsules being included, however this was removed from the final version. The ECF is currently covering this through the formation of a single-use plastics Working Group, and this is the right organisation to drill down into the detail, we will continue to stay close to the ECF.

The C4 Dispatches programme has, rightfully, put the issue of child labour on the media agenda. The coffee industry has a zero tolerance for both child labour and any form of modern slavery, and has evidenced action to halt and prevent the cases shown by Dispatches extremely quickly. SS noted that following the December meeting, as Child Labour and Modern Slavery were discussed in detail it meant we had an industry position to put out very quickly around the C4 Dispatches programme.

SS stated that the BCA had a piece within New Scientist looking at the Low Genetic Diversity in Arabica crops, we also referenced the work done by the World Coffee Research.

Paper cups continue to draw media headlines, if at a far lower volume than 2018/19. Starbucks and Costa banning the refill of reusable cups due to coronavirus as well as health and safety fears drew some low-level media noise. Additionally, Starbucks undertaking trials on compostable cups has generated some national media interest. Currently the BCA position is that it doesn't support compostable materials because the UK doesn't have capacity to process large volumes of compostable materials and therefore this material still ends up in land-fill. Infrastructure and creating materials that can be re-used has to be the focus.

6. BCA Strategy Update

(led by Paul Rooke)

PR noted although not in post he was able to join the BCA Strategy Day back in January. The development of an overall strategy, or OGSM, gives the Association focus and direction.

From this Strategy Day the 3 objectives set were

1. Increase Value for Money (reducing reliance on Member income)
2. Increase Market Share (and visibility to Trade & Public)
3. Obtain & Demonstrate Relevance (to enable the BCA to be the Voice of the Coffee Industry)

Paul noted that a key aim is to reach out and recruit new members to join the BCA, but obviously at this time things have been restricted with the focus on COVID-19. PR welcomed those potential members who have joined us as observers today.

The timetable set on this OGSM with the current situation, will likely need to be revised.

PR noted that the OGSM will be discussed in more depth at the Board Meeting tomorrow. If anyone has any comment on this document, it is a living document and will likely have to be adjusted as we move forward.

KS reiterated please do reach out to us if you have any further questions or queries.

7. BCA Sustainability Committee Strategy Update

(led by Victoria Moorhouse)

VM noted that last year we did a survey with the Sustainability Committee which built out the key areas to focus around the 3 pillars of our Sustainability Mission.

- **Pillar 1 – Circular Economy**

VM noted that we were going to focus on this at this meeting today but due to Covid-19 we have moved this back to the June meeting.

- **Pillar 2 – Responsible Sourcing**

- **Pillar 3 – Resilience at Origin**

VM noted that the European Union is increasing focus on Human Rights and Deforestation, this will likely increase media attention on the coffee sector.

VM added that the impact of COVID-19 at farm levels is still unknown but it could have a devastating impact with an aging farm population.

PR noted very good to see that crop resilience is on the agenda.

8. Round Table Member Updates on Sustainability Focus and COVID-19 Impact on Business (led by Krisztina Szalai and Victoria Moorhouse)

KS noted that we are all in a very difficult situation at this current time, but for coffee and its longevity, we are in a better position than those dealing with 'fresher' commodities. KS stated that Taylors has recently launched their first Sustainability Report, available at www.taylorsimpact.com. Taylors has now established full carbon neutral certification for all their products, both tea and coffee, and not by just by buying carbon offset credits but rather by generating carbon credits through insetting projects within their own supply chains, working together with and generating direct positive impact within their supply chains. A total investment of £1m last year with a hope to invest £1.5m this year, but work with their suppliers will of course depend on how the current situation develops.

VM – Costa noted that within the Costa Sustainability Team, with most retail outlets now closed, we have come together to make sure team members are supported financially, supporting key workers by providing where possible coffee within hospitals and distribution of RTD beverages. With food and milk surplus stock from the closures of the outlets these have been distributed to those that need it, as well as distributing hand sanitizer to the NHS. Focus to support the community and the wellbeing of the employees.

TBev – JDE noted that as most companies will be doing, we are looking at securing supplies, focussing on the 'here and now', including those working within the factory, as well as the staff who are now working from home. JDE is also looking at the work with their wider communities as well as the mental health aspects and wellbeing of their employees.

MR – Sustainable Harvest, is very much focussing on the impacts with the supply chain, continuing communications and trying to assess what the wider problems/impacts will be.

OA – Lavazza, we are taking things a day at a time, as you can imagine being an Italian company this has hit us very hard, we are very much looking how to support both the UK community as well as those in Italy. Supporting our customers and trying to make sure that our supply chain is working as effectively as it can at this time.

AO – Matthew Algie, the supply chain is of course a big concern to us, continued discussions with producers to see how they can best assist at this particular time. Funds that were put aside for a youth programme have been asked to divert to support those struggling in the current situation. Obviously trips to origin can't happen at this time so this means an impact on audits that can't be undertaken.

VM noted a very interesting point in regard to audits with certification schemes and what will be happening as we move forward.

9. AOB

- KS noted that our future meetings are listed below, and it could be that the meeting in June is also a remote meeting. KS noted that we are also looking at creating shorter sessions focussed on a specific subject matter, perhaps 1-hour sessions, we will keep everyone updated.
- KS made reference to the Sustainable Coffee Challenge Strategy Update link here:
<https://www.sustaincoffee.org/assets/resources/SCC-All-Partner-Meeting-2020-Binder-FINAL.pdf>
- ICO Webinars on the Public Private Taskforce
Wed 25 March 2020, 15:00-16:30 (GMT)
Wed 1 Apr 2020, 13:30-15:00 (GMT)
<https://attendee.gotowebinar.com/rt/8815739501484768267>
Wednesday 25th March 2020 – 15.00-16.00 (GMT)
Wednesday 1st April 2020 – 13.30-15.00 (GMT)

These include expert analysis from economists on the impacts of COVID-19 on the coffee industry.

10. Dates of Next Meeting

- **Tuesday 2nd June 2020 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Rooms Cleminson & Bodinnar (this meeting will run as a virtual meeting if the impacts of COVID-19 are ongoing)
- **Tuesday 8th September 2020 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Rooms Cleminson & Bodinnar
- **Tuesday 1st December 2020 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Rooms Cleminson & Bodinnar