

Meeting notes

Date 2nd March 2021
Location: Via Conference & Video Call

Attendees:
Committee Chairs: **Krisztina Szalai - Taylors of Harrogate**
BCA: Paul Rooke – BCA Executive Director
 Tracy Brown – BCA Secretariat
Committee: Thomas Blackwall – Finlays (BCA Chair)
 Victoria Moorhouse – Costa
 Priscilla Daniel – DRWakefield (Part of Meeting)
 Nigel Hallam – FFI
 David Short - JDE
 Pietro Mazza - Lavazza
 David Rogers – Lavazza
 Mary Child – Nestlé
 Kathryn Patchett – Taylors of Harrogate

Presenters: Dr Sharon Hall – UKTIA

Apologies: Roxy Rocks-Engelman – Cafédirect Plc
 Danny Diver – Ringtons
 Stephen Drysdale – Ringtons
 Sadie Walton – Ringtons

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. Welcome & Housekeeping

Introductions round the virtual room were made.

3. Notes from the Last Meeting 1st December 2021

The minutes were approved.

4. Committee Co-Chair Position: To confirm – Roxy Rock-Engelman of Café Direct has been nominated

The Committee was reminded that Victoria Moorhouse, Co-Chair for several years, had stepped down at the end of December 2020, leaving a vacancy for a Co-Chair.

PR noted that unfortunately Roxy was unable to join us today but was keen to take up the role of Co-chair. PR asked those on the call to raise their hands if they disagreed with the appointment. **No hands were seen and Roxy was therefore elected as Co-Chair.**

5. Co-Chair - News Update

KS noted that this is the first meeting that we will not have had the input of Seb from SHED Communications.

KS noted the recent launch of the Coffee Barometer was recently launched, causing a bit of a stir, stating there was little evidence coffee companies' sustainability efforts have an impact.

There was a more positive news article of a fungus that eats fungus that could potentially help coffee farmers without the use of pesticides and fungicides, this was a new Swedish led study in Ethiopia.

Something worth highlighting is the Dasgupta review, that highlights that there needs to be a fundamental change, funded by HM Treasury, that nature is a blind spot in economics that we ignore at our peril.

There was an article in Reuters highlighting farmers in Peru's central jungle ripping up their coffee plants and unfortunately replacing with coca leaf to give them a more secure income, this is in part due to the falling prices of coffee over the last couple of years.

There was a report on climate change that the UK government needs to act to off-set the impacts on importing of goods such coffee, bananas etc on CO2 emissions, if they want to achieve their net zero target.

Following Brexit the UK government has independently joined the International Coffee Organisation, the BCA were invited along to welcome them.

6. The benefits of creating a carbon benchmark for the tea industry – opportunities for coffee? *(Presentation Attached Separately)*

KS introduced the Executive Director, Dr Sharon Hall of the UK Tea and Infusions Association. The UKTIA also has a Sustainability Committee and has come along to update on the work they are undertaking and where we might be able to collaborate without a conflict of interests.

Dr Hall gave a brief introduction on the UKTIA.

Dr Hall noted that the UKTIA work in a coalition with the Ethical Tea Partnership, who have a more global focus on issues at origin than the UKTIA. But there is an overlap with Climate Change, Carbon Footprint, Water Use and AgriChemicals.

The Global Tea Coalition have developed Three Pillars, ETP and IDH are leading the development of the GTC under the three pillars.

Dr Hall noted that something we might be able to collaborate and share best practice would be on Life Cycle Analysis given the degree of overlap between coffee and tea.

Dr Hall shared the infographic that has been developed on 'What's in a tea bag', and the agreement on messaging that has been made regarding PLA.

UKTIA are now working on guidance with recycling labelling, which is racing up the agenda in the UK and the EU.

Dr Hall noted that she sits on the THIE Steering Group on the EU Green Deal, as a steering group they have split out all the documents on the Green Deal and have mapped out some 39 objectives that are relevant to the Tea & Infusions sector.

Dr Hall noted that the UKTIA have been ahead of the game and have surveyed their Member on their use of renewable energy and their net zero objectives. In case the BCA would look to do this, just be mindful that some of the smaller to medium size companies may need assistance with their understanding.

The UKTIA are looking at running some consumer campaigns in the lead up to COP 26, that something that we might look to collaborate on would be the boiling of kettles, only boiling the kettle with as much water as you need and only when you need to save energy.

PR asked how far along the road are the UKTIA regarding the consumer campaigns. Dr Hall noted that they are quite a way down the line, but still sees room for collaboration and to amplify the message.

PR asked the question about the good practice in pesticide use, and how easy would it be to get the GAP disseminated onto the farms. Dr Hall explained how they work with various tea boards and tea research associations in origin and have the opportunity to engage with them, also there is a UN group FAO Inter-governmental Group on Tea, which gives us a venue to discuss best practice there.

7. Update on EPR and DRS after FDF meeting with Defra Minister

PR gave an update on EPR/DRS following the FDF meeting. Defra was looking for a single UK approach on EPR, however he reminded the meeting that Scotland was running ahead on DPR with a launch still foreseen for 2022.

One of the key points made by FDF related to the need for finance raised through EPR costs to be ring fenced and reinvested into the schemes to improve take-up and, ultimately, the success of the scheme. It was understood this ran counter to current Treasury policy but Defra were keen to explore further with the Chancellor.

Scotland are leading on this and going live from 1st July 2022. Defra are watching and the desire is to standardise across the UK wherever possible.

Further consultations are expected imminently, and the BCA Comms Committee would be working on communication messages.

8. Environment Bill Update – draft deforestation position paper

A draft position paper was presented, and members were asked to feed back their comments ahead of its finalisation at the next meeting. The ECF paper had been used as a basis but with additional points from a UK perspective.

In response to a question PR confirmed the paper could be used both reactively as well as proactively to ensure the steps the industry was already taken were better understood KS asked that PR circulate the position paper with a deadline for feedback.

Action: PR/ALL

9. Brief update on trade agreements, including EU, US, Aus, NZ and CPTTP

PR added that regarding the US there were a number of negotiation rounds up to November last year, we are still awaiting the finalisation of the new USTR team. Some decent progress has been made, but we need to see how the Biden team see their priorities on deals.

In regard to Australia and New Zealand, the 3rd round was completed in late 2020, the next round is due later this month. The BCA has been approached regarding business opportunities for coffee.

CPTTP, trans-pacific partnership, around 13 companies within this including Mexico, Peru and Vietnam, negotiations begin in the second half of 2021.

PR added that we need understanding of where sustainability sits with the UK negotiating mandate.

10. OxCART – Summary paper and the Exec Committee views on BCA involvement

PR noted that we did discuss this at the Exec Committee early today. Following our recent webinar with WCR, we have been contacted in regard to this draft proposal coming out of Oxford University, it will be looking at wider commodities not just coffee, but how we might seek to have an interest in this. The Exec Committee are happy to support the principle, but not necessarily having a technical or financial involvement, but to play a role with the challenges coming down the road. We will now look feed back into WCR and how we might take this forward.

11. Single Serve Units – to note renewed ECF activity and UK position

PR noted that this is a question that was put to the Exec Committee earlier today, currently capsules and pods are outside the definition of packaging, the ECF are looking at an EU level to the possibility to change position and to have capsules and pods re-categorised to be included within mandatory EPR schemes. We are being asked if this change in advocacy is something that we would support.

PR reported that whilst the Exec Committee were not opposed, they were keen to have a broader understanding of the implications and, therefore, the view of the Sustainability Committee. In particular it was noted the UK was relatively well advanced in terms of an industry-based approach through Podback, although it was possible this could migrate into a mandatory EPR scheme going forward as the recycling technology develops.

VM noted one thing to keep in mind if pods are classed as packaging rather than product, then it would be worth checking if they would then fit within the EU Single Use Plastics Directive. Within that directive several plastics are going to be banned, for example Portugal are going to be banning single use plastics and tumblers from April, therefore in some markets if it was a plastic pod they could well be banned in some markets.

PR added that this information was useful feedback and something that could be fed back into the ECF. This is very much an involving part of the market, and not one size fits all, and the UK could take a different approach to the EU.

DS asked on the timings if we do go into mandatory EPR situation with plastic or aluminium pods or capsules, some Members have made significant private investment, so the expectation would be that EPR would replace that with the incentive to give a lot more consumer the ability to recycle and make more circular. It is a question with timing and

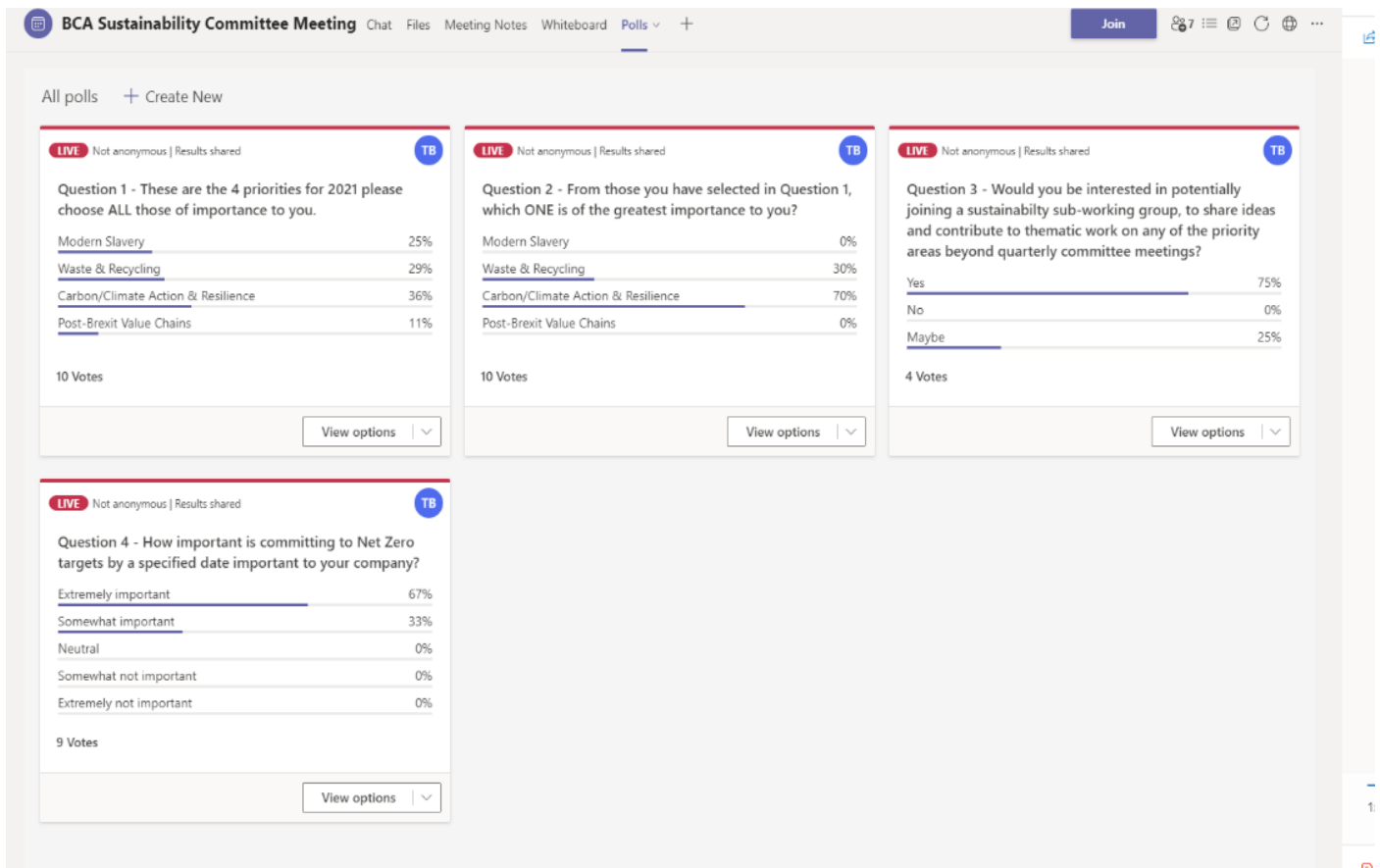
collecting the fees and making sure reinvested and that the product is recycled correctly. PR noted due to the pandemic there are currently some difficulties getting recycled material back into the system to meet the 30% recycled plastic requirement needed going forward, so trying to get government to understand that there is more support needed at the outset.

DS noted on single use plastics nothing is in scope if it is not on the spot consumption, so there should not be any change of double whammy of single use plastics for pods or capsules, but if this was to change then it would be good to know.

12. BCA Sustainability Committee 2021 Priorities – determine priorities with the aid of in-meeting polling

KS noted that the Sustainability Mission and Objectives document was developed in 2017 and has not changed since then, therefore we wanted to ascertain the Committees feedback on the following questions to see if these are still the main focus areas.

The Committee was asked to complete the online poll questions, the results of which were recorded and it was agreed it should be extended to all member sustainability contacts:-



VM noted that with Question 4, if not Net Zero as there are a suite of targets companies can set to even get to Net Zero you need Science Based Carbon Targets as a minimum, perhaps we have Carbon Reduction Targets aligned with the science-based Carbon Initiative even if you did not have Net Zero.

PR noted that we have not looked at COP 26 on the agenda today but looking at the poll results in questions 1 and 2, this gives us something that we can take away and have something put together for people to challenge.

13. Any Other Business

KS noted that she will be stepping down from the BCA Co-Chair position, no specific date at this time, and would welcome anyone who would like to Co-Chair with Roxy to come forward.

Action: ALL

PR wanted to extend his thanks to KS for all that she has done, it has been very much appreciated.

14. Date of Next Meeting

- **Tuesday 8th June 2021 – Sustainability Committee Meeting – 1:30pm – 3:30pm** – Either Physical Meeting at the FDF or Via Teams