

Meeting notes

Date 7th March 2018

Attendees **Chairs:** Victoria Moorhouse - Costa, Krisztina Szalai - Taylors of Harrogate
BCA: Tracy Brown – BCA, Chris Stemman – BCA, Richard Williams – Falcon Coffees, Sheaian Lee – Finlays, Lindsay Wright – JDE, Amy Orok - Matthew Algie, Richard Price – Menshen UK, Julie Gallacher – Nespresso, Shafna Chowdhury – Nestlé, Andrew Griffiths – Nestlé, Hannah Ward – Twin Trading, Rosana Elias – Whitbread
SHED: Sebastian Stokes
UNICEF: Charlotte Williams
Apologies Oliver Rosevear – Costa, Aggie Krasuska – Falcon Coffees, Jenny Breadmore – FFI, Karen Hewitt – Finlays, Richard Hardwick – Halo, David Rogers – Lavazza, Ewan Reid- Matthew Algie, Dean Gargano – Nestlé, Anna Turrell – Nestlé, Hannah Eatough – Taylors of Harrogate, Keith Writer – Taylors of Harrogate

Subject **BCA Sustainability Committee Meeting**

1. Competition Law Rules

Overview of the FDF competition rules for meetings.

2. Notes of the Last Meeting

No comments received.

3. Welcome & Table Introductions

VM & KS set the format and agenda for the meeting.

Attendees introduced themselves to the group.

4. Topic for today: Pillar 2. Driving Responsible Sourcing Practices

- Overview and re-cap of what the meeting aims to cover, including:
 - Certifications schemes
 - Differences between schemes
 - Modern Slavery Act
 - Discussion around what schemes/ methods members use

Human Rights

It was noted that people's human rights are often perceived very differently in the many countries in coffee supply chains.

KS noted that, astonishingly, the Human Rights Act only entered into force in the UK in 2000. Considering that fact, it is not too difficult to imagine the issues and difficulties in countries of origin.

KS asked those present who else's, apart from farmers, human rights might be affected? LW noted that the children of the farmers can also be at risk, in some

origins their schooling is scheduled around the coffee harvesting time. HW noted that the hidden casual labour force are also at risk, not just the small holders or farmers. JG added that a concern was that with fewer children being interested in coffee farming, older farmers are unable to retire, and there is simultaneously a serious problem of an aging workforce.

VM added that people are also at risk within the processing stages, as well as those working directly on the farm. Freedom of association and employment rights were not necessarily respected.

KS noted that the job of governments to protect human rights and for business to respect human rights in its supply chains. Business needs to consider the extent to which it explores this topic, to ensure that these rights are respected.

JG noted that business can push the boundaries and work to ensure that human rights are protected. She cited the work that had carried out re-introducing coffee cultivation in South Sudan – helping to bring income and stability into an impoverished area.

RW noted that it will often come down to the reputation of the company/business working in that area, and how they wish to protect it. Legal compliance is generally easier to manage than brand reputation.

KS added that with the introduction of the Modern Slavery Act, this now throws a different light on the matter, but it is very important that this is discussed, and that companies/business do all they can from a due diligence perspective.

VM noted that consumers really do seem to care about what is going on inside company/business supply chains, and are eager to know that what they say they are doing – they are actually doing!

JG noted that businesses really need to step up further, we can't just rely on Governments or NGO's, who often don't have either the finances or personnel to effect change. The financial power to do good, sits with business and businesses should rise to the challenge.

VM agreed that there is a spectrum, at the basic level you can abide by the UN criteria, but companies are, and should, strive to do much more.

Certification and Verification

VM noted that most companies will use a third party certification or verification scheme, to try and ensure that processes are in place, as they themselves may not have the resources to operate in the countries or areas concerned. Certification is a way of ensuring minimum standards of due diligence and auditing of human rights, economic impacts, and environmental impacts.

KS noted that there are many third-party certification schemes, as well as company specific certification schemes.

KS added that direct trade and the relationship approach to try and shorten/streamline the process seems to be becoming more popular but direct trade is not a certification scheme and should not be treated as such.

KS noted the 'ITC Standards Sustainability Map' that ITC has developed, could be a useful tool in navigating the otherwise complex world of third-party assurance schemes, available from <https://www.sustainabilitymap.org/>

SL noted that they work with a lot of B2B customers, and often in pursuit of their customer goals which is about a transparent sourcing and supply chain, and making sure that their customer understands where their products come from, and any issues there might come from where the coffee is sourced.

It was noted whether it is possible to make sustainable claims on pack, without having to pay certification companies to have their specific logos on pack, but you must ensure that you know where and how your product is sustainability sourced and that any claims are verifiable.

It was also noted that in some circumstances the sector, including the farmer has benefited from being part of a certification scheme.

LW noted that in many of the retail outlets a large majority of the own brands carry a certification logo on pack. SL added that some of the own brand packs have also now started to trial removing the certification and to look at the whole story or 'sustainability narrative', moving beyond just the certification on pack.

JG added that there seems to be a huge level of confusion amongst consumers as to what certification means and which may be better than others.

It was noted that many companies at origin are looking beyond certification where ever possible, as part of their own due diligence.

There was some concern in regard to the gaps in certification.

It was noted that unannounced inspections or having people on the ground in origin can often highlight any issues that there might be, although it may not be possible for all companies/businesses to be able to do this, and so they are reliant on certification.

5. UNICEF - Provision of Childcare within Coffee Growing Communities (Charlotte Williams)

CW noted that it has been really interesting listening to the conversations around the room today. There are often many similar discussions and views within UNICEF.

Business is now seen as an essential factor in development and critical for achieving the Global Sustainability Goals, and positive human rights outcomes, especially for children.

UNICEF tend to sit between the workplace and the government, with many issues also being seen in the community and society, not just in the workplace.

Children are among the most marginalized and vulnerable members of society.

UNICEF have been undertaking mapping of the intersection between children's rights and policy, legal and institutional frameworks. By gathering data and asking questions such as: are you able to drop and pick up your child from school, how long were you able to breastfeed for etc. gives a good picture as to what is really going on in the workplace, communities and workers' rights including maternity rights.

When an in-depth picture has been built up, UNICEF look to improve and implement decent working conditions, child protection, and extending this into the environment and community, such as access to education and healthcare for workers and their families.

Key learnings, if you get your supply chains to work for children, they will work for everyone.

There are challenges in childcare provision and protection, especially with indigenous workers such as those that migrate between Panama and Costa Rica to work on coffee plantations during the harvest. Whilst parents work in the plantations their children sometimes participate in child labour and are often left unattended, or older children look after younger children. There are also high newborn mortality rates.

UNICEF looked into creating child friendly spaces. 600 plantation owners supported a pilot to establish 17 child care centres – Houses of Happiness – for the children of migrant workers. UNICEF trained municipal social workers to improve the standard of childcare, and advocated for policy change at the national level in collaboration with the private sector, to improve access to childcare for migrant workers.

RE asked CW how does UNICEF deal with any issues that they may come across, CW noted that often governments invite UNICEF in to assist them, and therefore responses when going into the farms or workplaces is often fairly well received.

CW noted that they will often directly work with companies, such as M&S when investigating child labour in factories in Bangladesh.

KS asked how we might want to take working with UNICEF forward, whether it be as the BCA or as individual companies?

Update from Charlotte Williams

Some links to our Child Rights and Business tools are [here](#). There's also an interesting discussion paper on the impact of pesticides on children as well which your members might be interested in. A link to the palm oil impact assessment is [here](#) as an example.

Lastly, the letter from John Ruggie to Guy Ryder clarifying what businesses responsibility to respect means where businesses cause, contribute or are linked to abuses, can be downloaded [here](#).

6. Key CSR/Sustainability News from the Industry

SS gave a short history of the last few months developments in the media following on from the Environmental Audit Committee report publication in January 2018. The BCA went out with a very strong position against the proposed 25p paper cup levy. A few weeks later the Government presented its 25 year environmental plan. From the launch of this 25-year plan, there has been significant media attention on sustainability and specific products offering sustainable solutions. With this in mind it is a really good time to produce and publish our Bean to Bin and Beyond White Paper.

The story around paper cups has now extended to tea bags and the plastic within them; at the BCA we feel it is only a matter of time before this discussion will expand, more than likely into coffee pods. We are also therefore keen to develop a strong position statement on pods.

AG noted that as well as the proactive work, it is vital that industry is seen to be collaborating/cooperating.

JG noted that perhaps the BCA instead of being reactive could do an educational piece on pods and recycling, not just for business but easily understandable for the consumer, and importantly for the media and social influencers who seem to be driving the agenda.

RP noted that they are able to manufacture using compostable and recyclable materials if required. There is a much bigger picture, and needs to be a lot more joined up thinking across the entire industry, not just manufacturers – additionally with local councils and government on how to handle the waste. It is not just a case of producing something that can be recycled, but there are facilities in place to do the recycling.

7. Bean to Bin and Beyond White Paper

SS noted that following the brainstorm at the last meeting, where we explored how and where the circular economy applies along that supply chain, the report has been written using this as a basis.

SS asked if those who initially put their names down for the Task Force, we will now start to lean on those volunteers to carve out some time to review the detail. SS noted that we have sent through to a few members 3 or 4 questions in a one to one capacity for further insights.

JG asked if it may be worth hanging fire as to publication, and release it around a specific event. JG noted that there is 'sustainability week' in September, perhaps to have a launch with media then? SS agreed that this could be a good time to launch, depending on what the final report contains and whether there is news value in it. AG noted that perhaps we may need to have authoritative academic / independent involvement to make it more robust.

8. AOB

- **Sustainable Coffee Challenge**

CS noted that following the last meeting we asked the Committee to sign up/ratify to joining the Sustainable Coffee Challenge. It was agreed that we would look to have this signed off by the next meeting. Members to pass on any comments or questions regarding the Sustainable Coffee Challenge to BCA before the end of March.

9. Dates of Next Meetings

- **Wednesday 6th June 2018 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Room Machin
- **Wednesday 5th September 2018 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Room Cleminson
- **Wednesday 5th December 2018 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Room Cleminson