Meeting notes

Date 8th September 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:	Nigel Hallam – FFI Tom Blackwall – Finlays (BCA Chair) Joanne Caffrey – JDE David Short - JDE Julie Gallacher – Nespresso Hannah Eatough – Taylors of Harrogate Kathryn Patchett – Taylors of Harrogate
SHED:	Sebastian Stokes Alice Sinclair
Presenters:	Natural Capital Partners – Tom Popple bio-bean – George May bio-bean – Matt Keniston
Apologies:	Richard Price – Menshen UK Danny Diver – Ringtons Stephen Drysdale – Ringtons Sadie Walton – Ringtons

Subject **BCA Sustainability Committee Meeting**

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1. Competition Law Rules
It was proposed that the meeting would run under the revised FDF competition law compliance rules previously distributed.

VM noted the Anti-trust statement during the 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, and introductions round the virtual room were made.

4. News Round-Up (Presentation Attached Separately)
(led by Sebastian Stokes)

- SS noted that the new government term of 'build back better', has started to spike media interest in how businesses are putting sustainability at the heart of their recovery plans.
- SS noted from a circular economy perspective the EU plastics tax is coming in 1st January 2021, as announced by the EC back in July, and reaffirms their commitment to a stronger circular economy post pandemic.
- SS added that the BCA fed into the UK plastics tax consultation by the deadline of 20th August 2020.

- In terms of DRS and the Waste and Resources Consultation, there is public affairs and lobbying so that glass bottles, aluminium cans, coffee cups are included, but the 2nd Phase of the Consultation has now been pushed back to early 2021.
- Reusable cups came back into a media topic, some retailers have now started to bring back re-usable cups.
- Climate change is now fully back on the agenda, and the UK Government is about to launch a new law on illegal deforestation and UK supply chains.

5. Presentation from Natural Capital Partners (Presentation Attached Separately)
KS introduced Tom Popple from Natural Capital Partners, to talk us through carbon financing and carbon neutrality. KS added that there is an increasing focus on business to address the environmental impacts of their supply chains.

- Natural Capital Partners were established almost 25 years' ago, they are the longest running organisation in the world that does what they do, which is design, develop and delivery of corporate climate programmes. This includes carbon neutrality, climate financing and carbon offsetting, but also includes quite a lot of reforestation and community work of livelihoods to access different resources and opportunities.
- They work with many organisations and big major brands, such as Microsoft, Sky, M&S, Taylors, and have nearly 400 different clients around the world.
- What they do is work with something called results-based financing, which is the financing of projects and activities that deliver an impact that can be reported and monitored. They work with organisations to close the gap between the impacts and achievements they can have internally within their business and what they need to achieve externally.
- Following the Paris Agreement In 2015, for the first time many companies were invited to join the programme and support in achieving the global goals around climate change.
- During the Covid pandemic crisis in the last 6 months, they have seen the biggest increase in companies reaching out in regard to climate action and carbon neutrality programmes, this is the biggest increase in the history of the business!
- Both Microsoft and Boston Consulting Group are now driving these programmes forward and are looking to achieve a carbon negative footprint.

KS asked TP why would it be a good time for businesses to become involved with carbon financing, and what are the risks of not getting involved. TP noted that there are 3 reasons:-

1. We are past many tipping points in the natural world and carbon neutral is critical for companies to get on board with.
2. Efficiency, companies who have an effective carbon management plans are more efficient and agile to risk management. You also start to build better relationships with your business suppliers when going through this process.
3. It's also about not being left behind, with many companies going down this route, KS added and not waiting for legislation to come into place.

VM asked how you measure the 'Scope 3' work done in communities, in relation to coffee, as this is difficult to do. TP noted that if you are sourcing from large scale farms in origin, it can be a little bit more difficult to implement projects than those who a smallholder base. When it comes to agricultural based solution reductions, these are not fully fledged in the carbon finance world as they are difficult to measure the carbon change, so methodology and science is just not there. What is needed is for companies to take the risk to fund some of these projects, what is also takes is collaboration.

PR was interested on TP's thoughts on sequestration as a tool, TP noted engineered solutions are extremely expensive, and do you want to give your money to companies to remove carbon from the environment. TP noted that there is one potential solution, enhanced weathering where basalt is applied to land – basalt will naturally sequester carbon. The view generally however is that sequestration techniques are costly and the focus should be on avoiding production of carbon rather than capturing it.

6. Presentation from bio-bean (Presentation Attached Separately)
VM introduced George May and Matt Keniston, Costa have worked with bio-bean for a number of years on coffee grounds recovery which is a fantastic example of circular economy in action.

GM thanked all for the opportunity to be involved in the meeting today.

- bio-bean are just one element of how the coffee industry can see to improve its sustainability to reduce its carbon emissions.
- With the focus of 'building back greener' since starting to come out of the pandemic, they hope that they can work with more members as we move forward.
- GM gave an overview of bio-bean and what they currently do with the coffee grounds.
- They are the world's largest recycler of coffee grounds, with the UK drinking around 95 million cups of coffee every day, that number has gone up by 20 odd million in the last couple of years, which produces roughly half a million tons of spend grounds each year. Obviously, those grounds go through a range of different disposal sites be that, landfill, a composting incineration or peoples gardens, but on the whole this resource is not being utilised as they could be.
- bio-bean take these grounds from businesses across the UK and transform them into sustainable bioproducts across a range of different applications. They work within the supply chains to provide a raw material that allows the coffee industry and others to demonstrate their sustainability.
- GM ran through the case study of working with Costa.
- Over the last 3.5-4 years they have recycled around 14.5 thousand tonnes of Costa grounds and saved 6000 tonnes of CO2.

7. Sustainability Chair Update and Succession Planning
VM noted that we are now into the 4th year of running the Sustainability Committee, with KS and VM Co-Chairing. VM noted that she will be stepping down at the end of the year, and we would like to open up the Co-Chair position to the Sustainability Committee, for note KS has agreed to stay on as a Co-Chair for continuity.

Co-Chair responsibilities were noted, Core and Optional, and how flexible input can be, as well as the benefits, details within the presentation deck.

Timeline
Sept / Oct – Feedback if you are interested or want to find out more about the role.
Oct – Get internal signoff.
Nov / Dec – On-boarding
Jan 2021 - Start

Those interested in the role please do contact us.
Action: ALL

Please note that a separate email in regard to this position will be sent out to all members.

6. Wrap Up
Deforestation Legislation (Links to Consultation Provided in the Slide Deck)
PS noted in summary Defra has published its Deforestation Consultation in the last week of August, it runs until the beginning of October, and it is essentially covering deforestation and seeking to require the supply chains using certain commodities to confirm their production has not been as a result of illegal deforestation. Rules would apply to large businesses (criteria to be determined)

BCA was currently not proposing to reply to the consultation as coffee was not one of the listed commodities. Views were sought from the meeting and it was agreed the point be highlighted to members outside the meeting in case there were alternative views on BCA making a response.
Action: ALL

BCA Webinars

1. **Moving Towards a Net Zero/Positive Economy in the Coffee Sector – 13th October 2020**
2. Brexit – Preparing for a UK/EU Future Trade Agreement – or Not! – **November TBC**
3. Blockchain – Its Role in Coffee's Future – **December/January - TBC**

10. Dates of Next Meeting

- **Tuesday 1st December 2020 – Sustainability Committee Meeting – 1:00pm – 4:00pm** - TBC FDF, 6th Floor, 10 Bloomsbury Way, London, WC1A 2SL – Rooms Cleminson & Bodinnar