

THE VOICE OF THE UK COFFEE INDUSTRY.

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COFFEE
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BCA Sustainability Committee Meeting
10 September 2019

www.britishcoffeeassociation.org

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Agenda

14.00 – 14.05: Welcome and introductions

14.05 – 14.20: News round-up

14.20 – 14.35: Coffee prices update

14.35 – 15.20: Presentation - Global Coffee Platform

- Caroline Glowka, Program Manager

15.20 – 15.30: BREAK

15.30 – 16.15: Presentation from Rainforest Alliance

- Joe Booth, UK Lead - Markets Engagement

16.15 – 16.45: Update on Sustainability Committee
Survey

16.45 – 17.00: AOB



Sustainability News Round-Up in Q3 2019

Daily Mail

FALL IN COFFEE PRICE WON'T MAKE YOUR LATTE CHEAPER

\$1.76 price for a pound of coffee in 2016

\$1.10 price today - down 37pc

£2.70 price of a Starbucks grande latte in 2017

£3.05 price today - up 13pc

95m cups of coffee drunk per day in Britain

25,500 UK coffee shops

175m bags of coffee beans being produced this year

The Grocer

The sunset years

Coffee pods were the rising stars of hot beverages. Now growth has begun to slow down. So is the sun setting on their success?

Ash O'Mahony

'There's no money in coffee any more': Guatemalans driven to US migration

The industry used to provide a way out of poverty in the Central American country. But as prices fall, growers are abandoning their farms. **Kevin Sieff** reports

Indonesian coffee farmers struggle as prices hit 8-year low

WORLD

Columbia's Jeffrey Sachs Proposes Coffee Fund to Help Poor Farmers

Fund would invest \$10 billion a year and focus on social protection, improved efficiencies

Experts recommend 'latte levy' of 25p per cup

EPECOM

Report of the Expert Panel on Environmental Charging and Other Measures: Recommendations on Single-use Disposable Beverage Cups
July 2018



Sustainability News Round-Up in Q3 2019

INCPEN & WRAP: UK survey 2019 on citizens' attitudes & behaviours relating to food waste, packaging and plastic packaging

Figure 3 – Concerns about food packaging

Q. Which of the following, if any, concern you about [food packaging] [plastic packaging for food]?
Base: 6,214 UK adults aged 18+ with any responsibility for food shopping and/or preparation in the home.

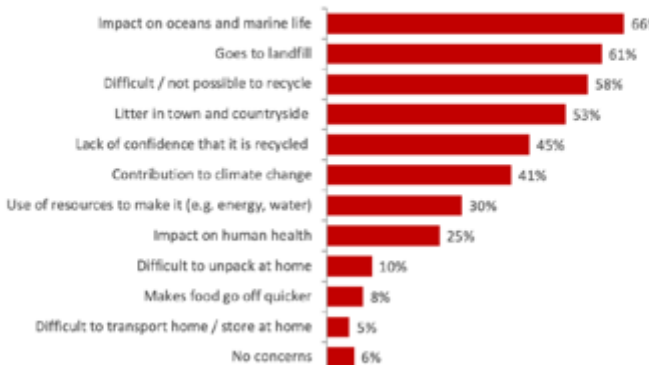


Figure 6 – Attitudes to compostable and biodegradable

Q. On a scale of 0-10 (where 0 = very negative; 10 = very positive and 5 = neutral) are you positive, negative or neutral about the following types of food packaging?
Base: 6,214 UK adults aged 18+ with any responsibility for food shopping and/or preparation in the home.

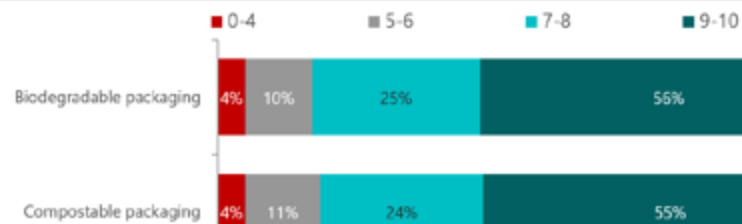


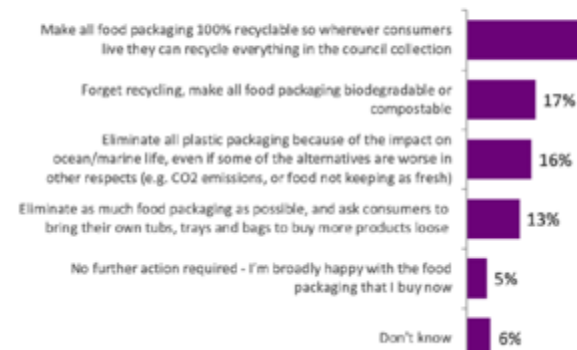
Figure 10 – Packaging innovations that would be most useful

Q. Which of the changes to food packaging, if any, do you find most useful for you? Select up to 4
Base: 6,214 UK adults aged 18+ with any responsibility for food shopping and/or preparation in the home.



Figure 12 – Ways of increasing the amount of food packaging that is recycled

Q. Thinking now about how the negative impacts of food packaging could be addressed in future, once you've finished with it. If you had to choose just ONE of the following approaches, which one would it be?
Base: 6,214 UK adults aged 18+ with any responsibility for food shopping and/or preparation in the home.



Resources & Waste Strategy Publication

Deposit return scheme (DRS)

- The proposed scope and model of a DRS will be presented in a second consultation in 2020 - to be implemented in England, Wales and Northern Ireland from 2023
- **Next step** – Inclusion in ‘Environment Bill’ but to hold a second consultation in 2020 on the regulatory framework for introducing a DRS through secondary legislation

Recycling consistency

- It will also require manufacturers to put clearer labelling on packaging so consumers know what they can recycle.
- Noted “strong support” for greater consistency, the government will seek to amend legislation so that, at least, the following dry materials from 2023:
 - Glass bottles and containers e.g. drinks bottles and jars
 - Paper and card – including newspaper, cardboard packaging
 - Plastic bottles – including clear drinks and cleaning products
 - Plastic pots tubs and trays
 - Steel and aluminium tins and cans



Resources & Waste Strategy Publication

Extended producer responsibility

- Government aims to “drive a shift” in the market towards durable, repairable and recyclable products.
- New powers to enact EPR schemes that will ensure producers pay the full costs of managing the disposal of their products
- **Next step** - Government will introduce an extended producer responsibility system for packaging in 2023, subject to a second “more detailed” consultation.

Plastics Packaging Tax

- The proposed single-use plastics packaging tax aims to create “greater demand” for recycled plastic, stimulating increased levels of collection and recycling of plastic waste.
- Will complement the reforms EPR
- **Next steps** - The government will set out the next steps at Budget 2019.
 - HMRC will publish a technical consultation on the detail of the tax design at a later date, and publish draft legislation for consultation in 2020.



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Coffee Prices Update

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Coffee Price

ICO Resolution 465 on Coffee Prices Levels:

- current market price levels do not allow coffee growers in most producing countries to cover their production costs, compromising their economic sustainability;
- current prices do not reflect the physical market fundamentals;
- consumption is a key instrument to guarantee the economic viability of the coffee value chain;

ICO background paper: <http://www.ico.org/documents/cy2018-19/ed-2303e-background-paper-ico-ecf-symposium.pdf>

ICO #coffeepledge - <https://www.internationalcoffeeday.org/>

SCA Price Crisis Task Force - <https://sca.coffee/pricecrisis>

Speciality Coffee Transaction Guide - <https://www.transactionguide.coffee/home/en>

GCP Coffee Price Crisis - <https://www.globalcoffeeplatform.org/latest/2019/6-opportunities-to-take-action-on-the-coffee-price-crisis#newsheader>



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Presentation from the Global Coffee Platform
Caroline Glowka, Program Manager

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Update on Sustainability Committee Survey

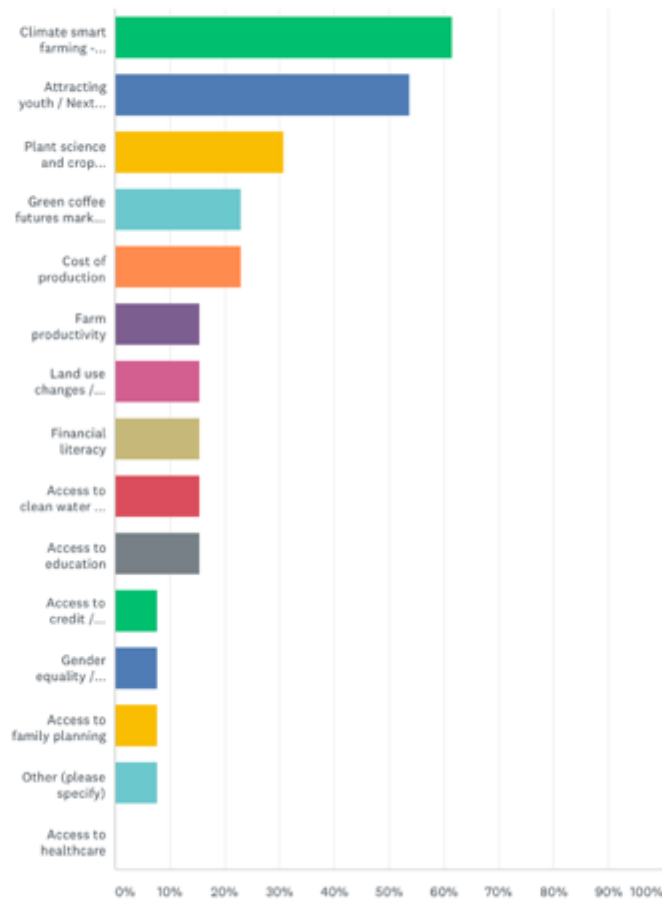
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Priority areas: Resilience at Origin

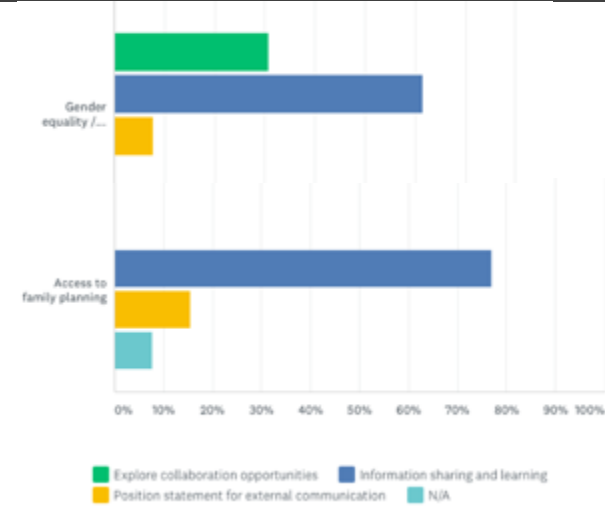
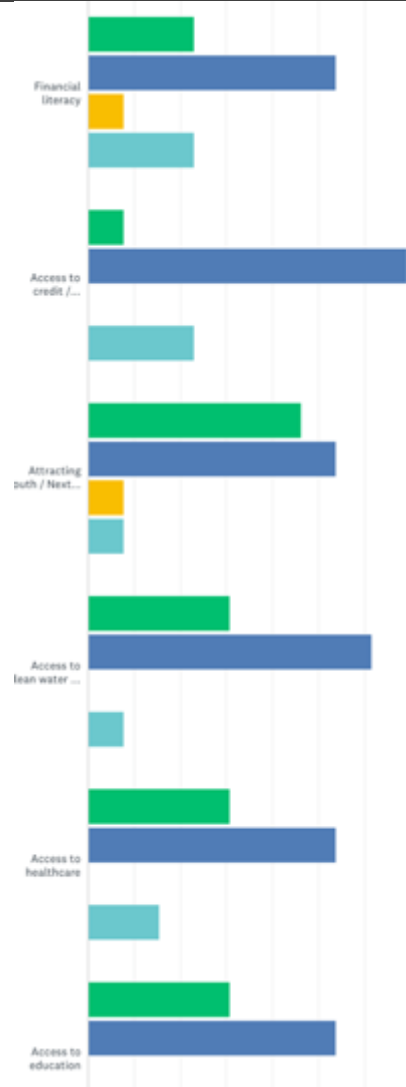
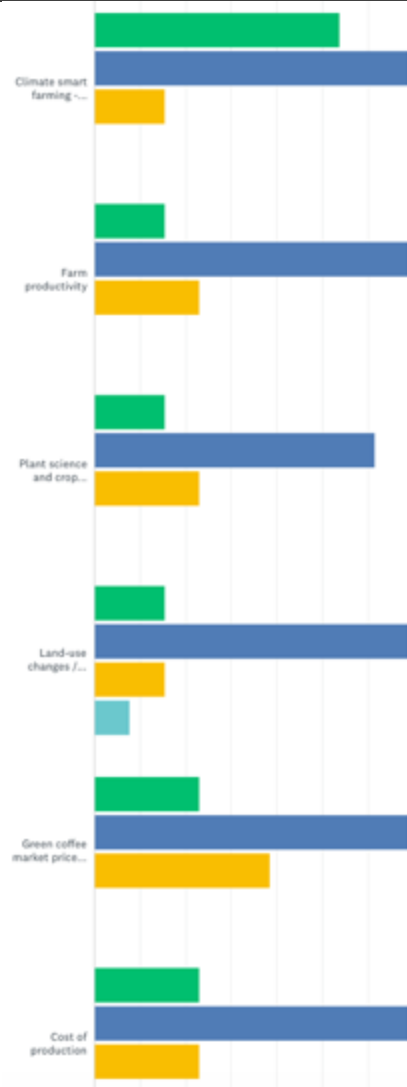
Please pick your top THREE priority areas for the BCA Sustainability Committee in advancing Mission Pillar 1: Resilience at Origin

Answered: 13 Skipped: 0



ANSWER CHOICES	RESPONSES	
Climate smart farming - access to know-how	61.54%	8
Attracting youth / Next gen in coffee	53.85%	7
Plant science and crop resilience (WCR) - arabica long-term sustainability	30.77%	4
Green coffee futures market - futures / outright	23.08%	3
Cost of production	23.08%	3
Farm productivity	15.38%	2
Land use changes / alternative land-use options	15.38%	2
Financial literacy	15.38%	2
Access to clean water and energy	15.38%	2
Access to education	15.38%	2
Access to credit / pre-finance / micro-finance and VSLAs	7.69%	1
Gender equality / equity	7.69%	1
Access to family planning	7.69%	1
Other (please specify)	7.69%	1
Access to healthcare	0.00%	0
Total Respondents: 13		

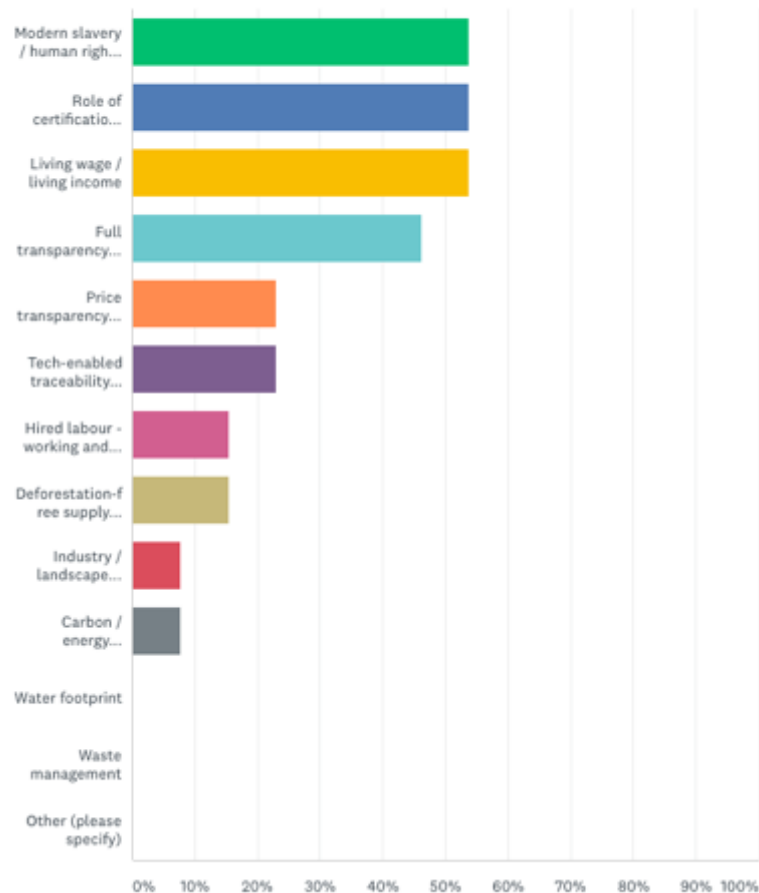
BCA level of engagement



Priority areas: Responsible sourcing

Please pick your top THREE priority areas for the BCA Sustainability Committee in advancing Mission Pillar 2: Responsible sourcing

Answered: 13 Skipped: 0



ANSWER CHOICES	RESPONSES	
Modern slavery / human rights - due diligence and reporting	53.85%	7
Role of certifications and beyond certification	53.85%	7
Living wage / living income	53.85%	7
Full transparency on supply chains	46.15%	6
Price transparency on farm gate prices	23.08%	3
Tech-enabled traceability e.g. blockchain	23.08%	3
Hired labour - working and living conditions	15.38%	2
Deforestation-free supply chains	15.38%	2
Industry / landscape collaboration	7.69%	1
Carbon / energy footprint / sequestration	7.69%	1
Water footprint	0.00%	0
Waste management	0.00%	0
Other (please specify)	Responses	0
Total Respondents: 13		

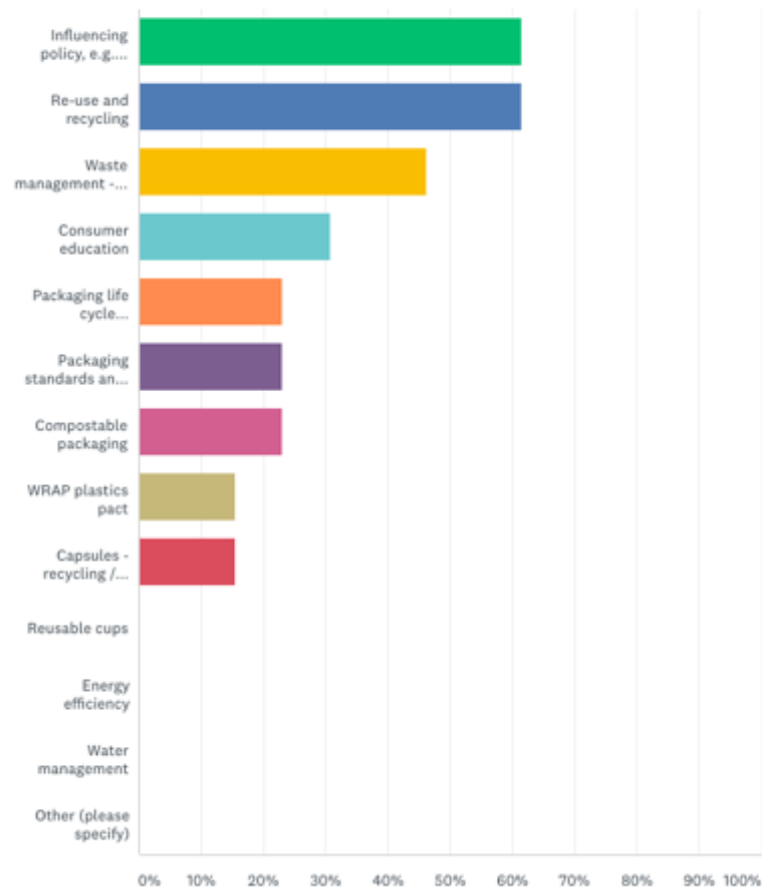
BCA level of engagement



Priority areas: Circular economy

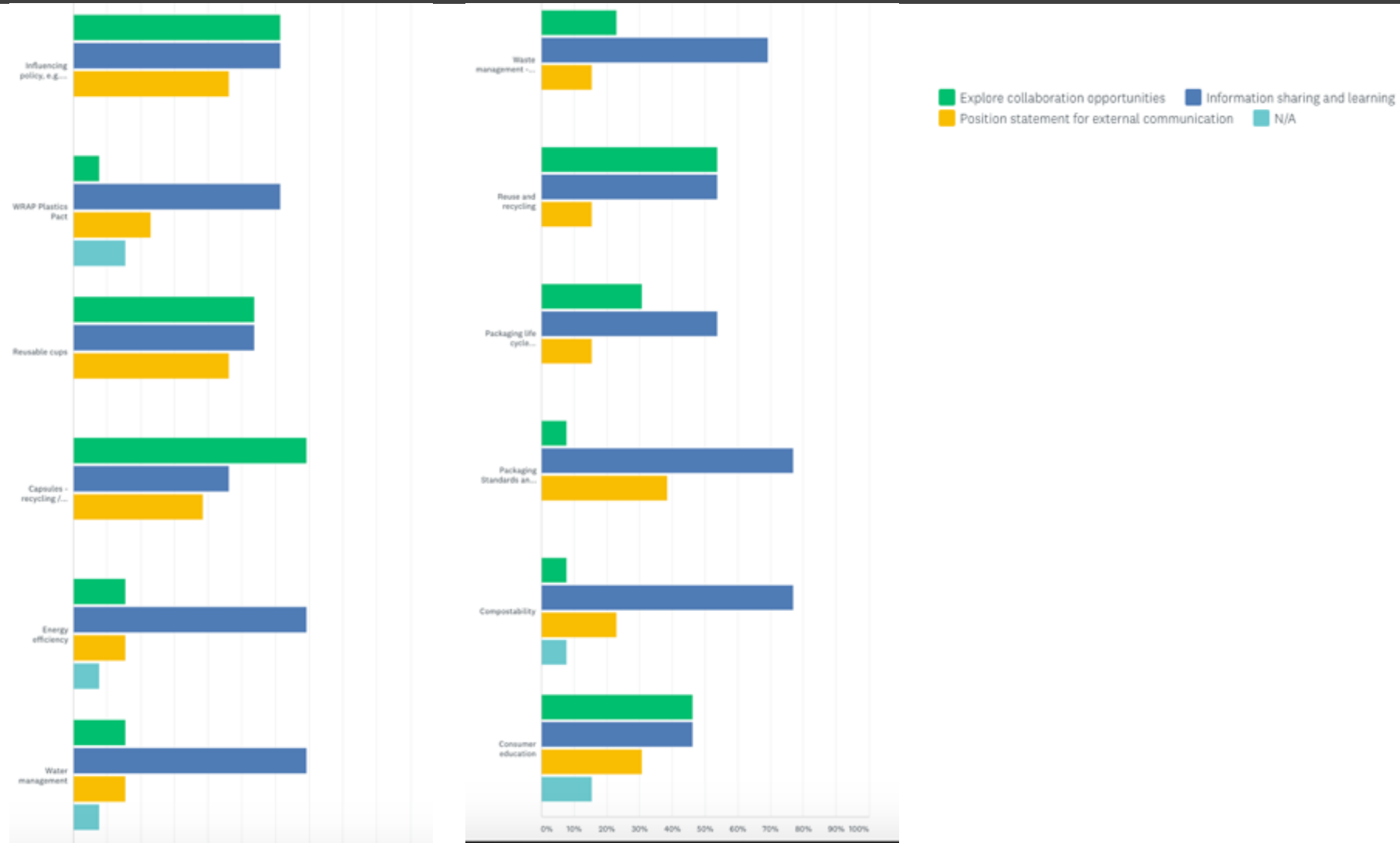
Please pick your top THREE priority areas for the BCA Sustainability Committee in advancing Mission Pillar 3: Circular Economy

Answered: 13 Skipped: 0



ANSWER CHOICES	RESPONSES
▼ Influencing policy, e.g. government resources and waste strategy	61.54% 8
▼ Re-use and recycling	61.54% 8
▼ Waste management - zero waste to landfill	46.15% 6
▼ Consumer education	30.77% 4
▼ Packaging life cycle assessment	23.08% 3
▼ Packaging standards and certification	23.08% 3
▼ Compostable packaging	23.08% 3
▼ WRAP plastics pact	15.38% 2
▼ Capsules - recycling / collection points	15.38% 2
▼ Reusable cups	0.00% 0
▼ Energy efficiency	0.00% 0
▼ Water management	0.00% 0
▼ Other (please specify)	Responses 0.00% 0
Total Respondents: 13	

BCA level of engagement



Key take aways and next steps

- Focus on what would be of value to members with an emphasis on information sharing and learning
- Review working with the Comms Committee to shape external points of view on
- Choose top 3 areas in each pillar to act as agenda topics
 - Sept – Rainforest Alliance / GCP
 - Dec – Modern Slavery Reporting best practice / supply chain transparency
 - March – Climate smart ag / circular economy topic

AOB

- ECF Sustainability Working Group 12th September
- ECF Sustainability Stakeholder Workshop 27th November
- ICO Annual Meeting 23rd – 27th September
- Dates of next Sustainability Committee meeting:
 - Tue 3rd December 2019
- V&A Open Exhibition:
<https://www.provenance.org/news/movement/food-bigger-than-the-plate-provenance-traces-the-coffee-at-the-va-for-latest-exhibit>



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