

COP26 Beverage Industry Implications

Steve Livens

Policy Manager for Product Assurance & Supply Chain

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Sustainability and British Brewing

- Domestic brewing heritage closely associated with British social and cultural development:
 - Ancient British, community-based activity: ‘hyper-local’
 - Barley-based drink broadly analogous to contemporary products
- Contemporary sector:
 - Volume driven
 - Expansion to national and global supply chains
 - Local focus remains:
 - Water
 - Agricultural brewing ingredients
 - Supply to local community

Sustainability and British Brewing

- Environmental impact of the contemporary brewing sector:

| Heat/Energy/Fuel | Water | Packaging & Materials |
|-------------------------|-----------------------|-----------------------|
| Manufacturing & storage | Ingredient use | Manufacturing |
| Process & packaging | Cleaning & Processing | Goods & storage |
| Transportation | | Waste & Recycling |
| Retail/Pubs | | |

Brewing Green and Climate Change

- UK brewing and pub companies have a proven track record of engagement on environmental issues
- Increasing pressures to address the broader effects of climate change:
 - Individual businesses:
 - Reputation & expectation
 - Risk mitigation & forward strategy
 - Consumer interest & environmental groups:
 - Younger consumers interested in more comprehensive overview of brands, includes environment, responsibility and reputation
 - Particular concerns around environmental claims and green-washing
 - Legislative/Environmental policy development:
 - CCA/Environmental reporting
 - Bans on single-use plastics and introduction of plastic packaging tax
 - Waste reduction/producer responsibility (DRS/EPR)
 - Net-zero inc. ASA and CMA guidance on green claims
 - National Food Strategy

Climate Change Emergency

- Latest climate science shows influence of humans on our planet through global warming
- 2015, global leaders signed the Paris Climate Change Agreement:
 - Commitment to transition to low carbon economy
 - Limit the global average temperature rise to 2°C above pre-industrial times
- More recently, prevent warming beyond 1.5°C
 - Significant reduction on GHG emissions over next decade
 - Global need to achieve net-zero emissions no later than 2050

UK Government Response

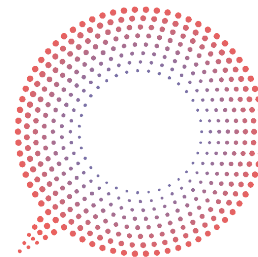
- UK first major economy to legislate on net-zero:
 - 2019 UK legislation to become a net-zero economy by 2050
 - 2021 further targets introduced:
 - 78% reduction in National carbon emissions by 2035 compared with 1990 levels
- These ambitions inform the direction for both Government policy and businesses over the coming decade:
 - Apply to all sizes of business and across all sectors
 - Significant challenges but also great opportunity

Response by UK Beer Sector

- To date, focus has been on actions of individual businesses
- Net-zero moves beyond this to accommodate the entire value chain and requires momentum at sectoral level
- Need to ensure that net-zero journey and commitments are credible:
 - Recognition of the start point for many companies
 - Strategies backed by science-based, emission reduction targets
 - Initial efforts on:
 - Evaluation and understanding carbon emissions
 - Active programme of reduction to prevent atmospheric accumulation of emissions
 - Offsetting only used where no further opportunities for active decarbonisation exists

...A Word About the Zero Carbon Forum

- The Zero Carbon Forum (ZCF) is a non-competitive industry collaboration comprised of both brewing and hospitality companies.
- Members benefit from sharing best practice, insights and thought leadership to drive progress toward addressing some of the biggest challenges facing the sector.
- The Zero Carbon Forum enables members to take action, drive impact, and reach their net zero targets faster, more efficiently and more cost effectively than acting alone.



**ZERO
CARBON
FORUM**

Net-Zero Strategy for the Brewing & Hospitality Sector

- BBPA approached by the Zero Carbon Forum (ZCF) in 2020 to support the development of a sectoral net-zero strategy for the hospitality sector:
 - Sectoral Roadmap
 - Supporting resources and toolkits (relevant to individual sub-sectors)
 - Overarching decarbonisation ambition

Net-Zero Strategy for the Brewing & Hospitality Sector

- BBPA commissioned ZCF to develop a distinct but aligned roadmap for the brewing sector, including its value chain:
 - Agricultural and raw material inputs
 - Production and packaging
 - Logistics & distribution
 - Pub retail
- BBPA partner Carbon Architecture selected as a specialist consultant to provide sectoral level insight and data to support the development of the roadmap
- Both hospitality and brewing and pub roadmaps launched prior to COP26

Roadmap Ambition

- Sectoral ambition agreed within the roadmap:
 - By 2030:
 - Ablating all avoidable emissions from direct operations (Scope 1 & 2)
 - By 2040:
 - Ablating all avoidable emissions across supply chain (Scope 3), and
 - Credible offsetting residual emissions to achieve net-zero
- Sectoral ambition intended to reflect the urgency of the climate crisis and need for action, ahead of the Governments own 2050 target
- Zero Carbon Forum member companies can choose to align with or ahead of the pace outlined in the sectoral roadmap

Roadmap Progress & Next Steps

- Roadmaps intended to be iterative with updates as needed and at a minimum 5-year cycle
- Brewing Roadmap will be updated in 2022 with:
 - Further detail on the typical emission areas and more information on the reduction initiatives for Brewers.
 - Emission profiles:
 - *Further breakdown of the subcategories of the Scope 1- 3 emissions profiles and their contribution percentages*
 - Reduction pathways:
 - *Expand reduction initiatives with more detail on implementation and case studies where available*
 - *Scope 1 & 2 focus on decarbonising heat with more detail on how to achieve this including low temperature heat networks and heat pumps.*
 - *Expanded Scope 3 reduction initiatives to include new input from agri-supply chain*

Roadmap Progress & Next Steps

- April 2022:
 - Launch of carbon calculators for brewers and pubs:
 - *Help businesses to understand and track their carbon footprint*
 - *Benchmarked against sector averages*
 - *Accessed via the BBPA Brewing Green website*
 - Launch of sectoral toolkits, aligned with the roadmap decarbonisation pathways, to support development of individual net-zero strategies:
 - *Toolkits will be available for the sector at large, however*
 - *More detailed, personalised versions created for ZCF members*

Summary

- Brewing sector has long held an important link with sustainability
- A commitment to limiting the direct environmental impacts of beer and pubs and a record of achievement and progress
- Priority now to address the threat of climate change and the climate emergency and impacts on the wider value chain for beer and pubs
- A progressive and ambitious plan but one which will be vital to support the longer term sustainability of the sector

Thankyou

Further information:

email: slivens@beerandpub.com
Zero Carbon Forum: <https://zerocarbonforum.com>

For more information on the sector's sustainability initiatives and progress, including the recent work on net-zero and carbon calculator and toolkits please visit:

Brewing Green: <https://brewinggreen.org>



The development of the brewing carbon calculator was supported by The [Worshipful Company of Brewers](#) via a grant from the Brewers' Research & Education Fund.