



BAFWAC

Using the Sustainable Agriculture Guiding Principles initiative to ensure reliable sugar supply

a Coca-Cola European Partners case study

November 2017



Company details

Coca-Cola European Partners Plc. (CCEP) is a leading consumer packaged goods company in Europe that produces, distributes, and markets nonalcoholic, ready-to-drink beverages. In 2016, CCEP earned US\$12.7 billion in revenue, making it the world's largest independent Coca-Cola bottler based on net sales. CCEP is based in the UK and serves a population of over 300 million consumers, mainly across Western Europe.

Summary of action

Since the introduction of the Cola Coca Company's Sustainable Agriculture Guiding Principles (SAGP) in 2013, farmers and producers working with CCEP have benefitted from external certification and more efficient resource use, whilst CCEP has gained supply chain security. The SAGP support CCEP's overarching commitment to sustainability across all operations, partly as a response to trends in ethical consumption and agreements such as the SDGs, but predominantly to shore up a reliable long term resource base.



Program rationale

Through multiple water footprint studies, CCEP established that roughly 80% of their value chain water footprint originated in agricultural ingredients such as beet and cane sugars, fruit juices, coffee, and pulp and paper products. Some of these, such as sugar beets, are grown in Europe; however, many are imported from around the world.

"We know that our greatest environmental impacts occur outside our own business in our value chain. It's therefore essential that we collaborate with our suppliers and seek to improve our partners' performance as well as our own." – CCEP

Program approach

CCEP has committed to sustainably source 100% of their priority agricultural ingredients by 2020. The SAGP include sustainable sourcing standards to which suppliers and producers must adhere. In 2015, CCEP began working with suppliers and third-party frameworks to establish programs to help engage farmers. CCEP also works with suppliers and partners to develop tools for monitoring compliance.

Results & Benefits

30-50% reductions in water and <70% reductions in pesticide use for the same yield as a result of SAGP recommendations on two farms in Spain (part of FRUSA, CCEP's main citrus juice supplier).

100% CCEP's key sugar suppliers have agreed to adhere to the SAGP by 2020.

80% of a product's total water footprint that the farming, processing and production of sugar can account for, according to CCEP's analyses.

Lessons learned

By working with suppliers, third party frameworks, and partners such as the Sustainable Agriculture Initiative and the Rainforest Alliance, programs to help farmers comply with the SAGP (and tools to help monitor their ongoing compliance) were developed more effectively than would have been possible working in silo.

What next?

As CCEP has only recently merged from three independent Coca Cola bottlers, there are many distinct standards and programs throughout the value chain. These will need to be consolidated moving forward, and more research into potential collaborative external relationships will help CCEP in achieving its sustainability goals.

CCEP now needs to engage with suppliers of other commodities (fruit juices, coffee, pulp and paper) to the same degree as they have with cane and beet sugar producers if they intend to replicate the successes that they have seen with their citrus supplier, FRUSA. In some places, the sustainability component is well embedded already (140 suppliers across Belgium, France, UK, Netherlands, Norway and Sweden took part in the Carbon Challenge program) and replicating this behavior among the rest of CCEP's producers will be a key strategic goal moving forward.

Sources

- https://www.ccep.com/system/file_resources/2051/sustainable-sourcing.pdf
- <http://www.coca-colacompany.com/content/dam/journey/us/en/private/fileassets/pdf/sagp/SAGP-2013.pdf>



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BAFWAC was jointly launched by CDP, CEO Water Mandate, SUEZ, and World Business Council for Sustainable Development (WBCSD) in December 2015. The initiative commits companies to analyze and report water-and-climate-related risks and impacts, and to implement collaborative response strategies along the value chain.

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