Sustainable Sourcing

by

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
SUSTAINABLE SOURCING

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https://www.taylorsimpact.com/

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34.5% of the market is VSS compliant worth $7.2 bn

Yet what % is truly sustainable?
<table>
<thead>
<tr>
<th>No Poverty</th>
<th>Zero Hunger</th>
<th>Good Health and Well-Being</th>
<th>Quality Education</th>
<th>Gender Equality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Water and Sanitation</td>
<td>Decent Work and Economic Growth</td>
<td>Industry, Innovation and Infrastructure</td>
<td>Reduced Inequalities</td>
<td>Sustainable Cities and Communities</td>
</tr>
<tr>
<td>Responsible Consumption and Production</td>
<td>Life Below Water</td>
<td>Life on Land</td>
<td>Peace, Justice and Strong Institutions</td>
<td>Partnerships for the Goals</td>
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</tbody>
</table>

**Common Language for ‘Sustainable Coffee’**
SUSTAINABLE SOURCING COMMITMENTS (USUALLY) INCLUDE:

“A commitment made by a downstream buyer of coffee (e.g. a retailer, roaster and/or trader) to source coffee that meets a minimum level of good environmental and social practice.” (SCC, Sustainable Sourcing Guidelines)

Traceability + Assurance + Investment
ADDING MORE VALUE TO PRODUCERS (BEYOND PRICE & VSS COMPLIANCE):

- Price and premium to go beyond VSS compliance
- Living Wage/Living Income commitments
- Responsible trading practices/contractual agreements
- Transparency vs. traceability
- Value of ‘direct’ relationships & the role of the ‘middlemen’
- Investment in agricultural R&D, gender, labour, zero deforestation
‘TAYLORS SOURCING APPROACH’
TAYLORS SOURCING APPROACH

- 100% certified supply chains since 2014
- Transparency – all Taylors supply chains published on website since 2018
- Price and premiums beyond certification premiums
- Living Wage/Living Income commitment by 2025
- Responsible trading practices/contractual agreements – long-term contracts, NCAD, sourcing plans, pre-finance
- Full traceability to farm and/or cooperative level
- Strong ‘direct’ relationships with producers – even when trading via importers/exporters
- Regular face-to-face visits and tasting calibrations
- Annual supplier reviews & 360 feedback
- Investment in agricultural R&D, community development, infrastructure etc.
- Donating purchasing data for new price discovery mechanisms e.g. Transaction Guide
- Industry leadership and active collaboration

https://www.taylorsimpact.com/
UNTAPPED OPPORTUNITIES
WHERE ARE STILL UNTAPPED OPPORTUNITIES?

- Benchmarks and data
- Partnerships at scale & Anti-trust laws
- Living Wage/Living Income
- Diversification & Climate Resilience
- Technological innovations
- Regenerative farming
- Transparency
- Diversification
- Investments — women, R&D