Starbucks Promises Resource-Positive Operations

Gemma Alexander

In late January 2020, Starbucks announced a commitment to become a resource-positive company – that is, a company that eliminates more greenhouse gases than it emits, and that generates more clean water than it uses.

It's an ambitious goal with a decades-long timeline that companies have only <u>recently begun</u> to pursue, and none yet claim to have achieved. Without science-based targets, clear guidelines for achievement, and transparency about progress, many corporate claims about net-positive operations are just greenwashing. How does Starbucks' commitment stack up?

Baseline Report

Many companies fail right out of the gate because they either don't know or refuse to share, information about their actual environmental impacts.

Progress can't be made without a baseline to measure improvement against. Starbucks seems to have accomplished this first step properly. The same week that Starbucks announced its resource-positive aspiration, it released an <u>environmental baseline report</u> produced in partnership with the World Wildlife Fund.

Starbucks' report used 2018 data from the company's global operations to calculate waste, water, and carbon footprints. They looked at the entire life cycle of their products and operations, from farming practices to packaging disposed outside of stores by customers. For calculating their carbon footprint, they followed the methodology of the World Resources Institute <u>Greenhouse Gas Protocol</u>.

The key findings of the report define Starbucks' baseline for the three footprints:

- Carbon footprint: 16 million tons of greenhouse gases (GHGs) emissions
- Water footprint: 1 billion cubic meters of water used
- **Waste footprint:** 868 kilotons of waste generated (which also contribute 1.3 million tons of GHGs to the carbon footprint above)

Dairy products, at 21 percent, are by far the largest contributor to the company's greenhouse gas emissions. Starbucks serves more milk every day than it does coffee. The company's water use likewise took place mostly along the supply chain, particularly raising the coffee crop. And one-fifth of Starbucks' water footprint resulted from agricultural activities in the production of non-coffee beverages. Dairy production contributed an additional 15 percent of water use.

In contrast, waste was primarily generated at the retail stage. More than half of all Starbucks-generated waste leaves its stores with customers. Eighty-five percent of that waste is the packaging in which drinks and food are delivered.

1 of 3 5/1/2020, 11:01 AM



More than half of Starbucks' waste leaves the stores with customers. Photo by Omar Lopez on Unsplash

The Commitment

In an <u>open letter</u> from Chief Executive Officer Kevin Johnson, the company acknowledged that they do not know exactly how to achieve such ambitious goals as net resource positivity. But they did not disregard responsibility for supply chain impacts. To begin working towards the goal, they outlined five general strategies:

- 1. Expanding plant-based menu options;
- 2. Shifting to reusable packaging;
- 3. Investing in regenerative agricultural practices, reforestation, forest conservation, and water replenishment in their supply chain;
- 4. Reducing waste, and;
- 5. Developing more eco-friendly facilities.

They also identified three preliminary targets for 2030.

- 1. A 50 percent reduction in carbon emissions in direct operations and supply chain;
- 2. 50 percent of water withdrawal for direct operations and coffee production will be conserved or replenished with a focus on communities and basins with high water risk, and;
- 3. A 50 percent reduction in waste sent to landfill from stores and manufacturing, driven by a broader shift toward a circular economy.

Tied to its third preliminary target, Starbucks announced a new partnership with the Ellen MacArthur Foundation's <u>New Plastics Economy</u> Global Commitment. This comes with an additional set of circular targets for packaging.

At the time of the announcement, Starbucks intended for 2020 to be a year of research. Specifically, they planned to conduct comprehensive market research and trials encouraging consumer use of reusable containers.

Coronavirus Conflicts

Now that pandemic has completely altered consumer behavior patterns for months with no return to

2 of 3 5/1/2020, 11:01 AM

normal in sight, Starbucks will not have the opportunity to collect that kind of data. They will not be able to test trial nudges towards <u>nondairy milk</u> and reusable packaging this year.

It is also likely that consumer attitudes toward disposables may shift as a result of the pandemic. People who may have been open to carrying their own containers last year may prefer the perceived health safety of <u>single-use disposables</u> next year.

Since the outbreak of the pandemic, Starbucks has not made any further public mention of its environmental plans. As with most other businesses, all of their attention seems to be focused on <u>adaptations</u> to operations during the pandemic. Some steps toward the preliminary goals relate to supply chains and facilities, and so do not rely on customer response. But it is too soon to tell if Starbucks will proceed with those steps or delay all action until after the pandemic.

The promises Starbucks made in January would result in significant environmental improvements. Even the preliminary goals have the potential to reduce greenhouse gas emissions by 8 million tons per year. It would be a terrible shame if Starbucks' efforts to become resource-positive became yet another casualty of the pandemic.

Feature image by oberaichwald from Pixabay

You Might Also Like...

3 of 3 5/1/2020, 11:01 AM