



Sustainability in the Craft Beer Industry

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Sustainability - looking after business, people and the environment

Organization, planning and management capacity of a brewery to increase business benefits and create shared social and environmental value over time.



So where is it all coming from?

- UN Sustainability Goals - 17 global goals and 169 targets ratified in 2015 toward environmental protection and economic prosperity.
- COP 21 - Paris agreement on climate change signed in 2015 by almost 200 countries.
- Second encyclical of Pope Francis - *'On Care for Our Common Home'*, connecting environmental threats, poverty and inequality.



Sustainability Business Case for the Craft Beer Industry

- Sustainability is a driver for innovation and business growth, delivering shared value and resulting in better financial returns.
- Competitive brand distinction, increased market share and reach are also possible through strong sustainability programs.
- Increasing interest of consumers for implementing sustainability practices.



Building Sustainability into the Business to Improve the Bottom Line and Environmental Performance



- Breweries pursuing sustainability are realizing benefits through operational efficiencies and their supply chains, while reducing their environmental footprints.
- The more sustainable a brand is perceived, the more meaningful it becomes to consumers and the more they are attracted to it.
- There are significant opportunities for further development and implementation of sustainability in the craft beer industry.



Moving into the Future with Sustainability

- When asked about sustainability?
 - ‘oh yeah, we are already doing that’, or
 - ‘it’s just not a priority given the time and costs involved’.
- Market research has shown that customers are attracted to and willing to pay more for sustainable products - initial investment is then offset
- When combined with increased market share and operational cost savings, sustainability results in opportunities for **higher profitability** and a ‘win-win-win’ for producers, retailers and consumers.



Leveling the Sustainability Playing Field for our Craft Beer Industry

- Advanced breweries have management and operational systems in place that integrate sustainability and build it into their brands.
- Sustainability reporting and certification programs are gaining traction, lending a competitive market edge to producers.
- Industry sustainability progress in the U.S. led by the Brewers Association Sustainability Sub-committee.



Is Your Brewery Ready for new Regulations?

- New rules on groundwater use, monitoring and mandatory reporting, requiring closer attention to compliance.
- Water supply for beer production to be squeezed.
- End of low cost water. Costs of water use may double, reflecting the effect of use on the resource.
- Water Sustainability Plans being introduced under the BC Water Sustainability Act



New Municipal By-laws

- By-laws being introduced to reduce and prevent spent grains, fruit and yeast from smaller fermentation operations being drained into municipal sewers.
- Water consumption and conservation are further concerns.

Metro Vancouver Fermentation Operations Bylaw Guide

Winter 2015/2016



Sustainability Planning and Implementation



- Any plan or program is only as good as its implementation.
- Communications, outreach, support and resources required to extend implementation of sustainability in the craft beer industry.
- Need to facilitate participation of breweries through education and sustainability assessments.



Sustainability Ingredients

- Sustainability assessments to establish baseline conditions, benchmark performance and reduce environmental impacts
- Operations review to introduce best practices, optimize efficiencies and reduce costs
- Develop and implement sustainability program for all aspects of the brewery enterprise



Best Practices, Tools & Resources

- Energy technology efficiencies and renewable energy
- Water conservation and waste water recycling
- Packaging and waste recycling - cardboard, aluminum cans and process materials recovery
- [Brewery Edible Six Pack Rings](#)



Getting the Right Support

- Build sustainability framework, with goals and action plans, to track and report on progress
- Target environmental initiatives - water and energy conservation, recycling and waste reduction, greening procurement and transportation, and branding opportunities
- Getting started in sustainability can be relatively easy and less costly than often thought.



Is your Brewery Leveraging the Full Potential of Sustainability?

Top 3 Sustainability Questions

- Has your brewery established a sustainability policy and/or environmental baseline?
- Has it considered the range of options to reduce water and energy costs, along with its carbon footprint?
- Does it have an overall environmental framework or strategic plan in place to advance sustainability practices and reporting, enabling the business to grow?

