



PRIVATE & CONFIDENTIAL
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Minutes of the Sustainability Committee Meeting
Wednesday 15th November 2023

Hybrid Meeting – FDF, 10 Bloomsbury Way, London & Via Teams

Present at Meeting:

Paul Rooke	BCA Executive Director
Tracy Brown	BCA Secretariat
Thomas de Freitas	BCA Media & PA Manager
Roxy Rocks-Engelman	Cafédirect (Sustainability Chair)
Jenny Breadmore	Cafea UK (Via Teams)
Pradeep Mahale	Costa Coffee (Via Teams)
David Peach	Costa Coffee
Andy Gibbons	Costa Coffee (Via Teams)
Katrine Biret	Filhet Allard Maritime (Via Teams)
Lillee Barnard	JDE
Oliver Ellis	JDE
Cavin O'Driscoll	RicCoffee (UK) Ltd
Sadie Walton	Ringtons (Via Teams)

Speaker:

Don Riezebos	Goglio North Europe B.V.
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1. Apologies for Absence

Aoife Higgins	Almacena Platform
Gennaro Pelliccia	Costa Coffee
Carla Politano	Costa Coffee
Simon Fox	JDE
Tomas Aldaya	Nestlé
Hannah Eatough	Taylors of Harrogate

2. Competition Law Rules

It was proposed that the meeting would run under the revised FDF competition law compliance rules previously distributed.

3. Notes from the Last Meeting

The minutes from the last meeting were approved.



4. Matters Arising

No matters arising.

5. Presentation – Sustainable Packaging & Future Developments - Don Riezebos – Goglio B.V. –

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Presentation Attached Separately

RRE introduced our speaker to those in the room and online.

DR noted Goglio was an Italian company but working across Europe and the focus today was on the switching from current materials to mono-material, and the challenges to make it work on your machines.

DR added when meeting with PR recently in London, discussion was around what solutions Goglio were able to provide.

OE asked when you are talking about foils does it need to be metalised, DR stated no it does not.

DR noted that they are able to offer companies everything from machines, foils and valves.

DR went on to explain the challenges of mono-material on packaging machines from a foil perspective. He then went on to discuss the main advantages of mono-structures.

DR explained the challenges from a machine perspective, with sealing temperature and stability.

With sealing standard material, it is temperature, pressure and time to give you your seal window. With sealing mono material, it required much more precise control mainly over temperature, which gives you a smaller seal window.

DR then gave an example of temperature difference, standard material sealing 225°C, mono material sealing temperature 145°C.

Goglio has produced 180 million coffee packages with Goglio recycle-ready material.

RRE noted that it is possible to make changes but requires a level of attention and willingness, DR agreed it will take a lot of attention and time as to make changes incrementally.

RRE noted that in the UK we have a challenge with recycling as it is very council dependent, does DR have any insight how other countries such as The Netherlands and Germany how they are doing? DR



noted that many countries in Europe face the same challenges as the UK, but we have a tsunami coming and we really need to be prepared.

A question was asked if some older machines can cope with the mono-materials? DR noted that some older machines would need a lot of adjustment and investment to run with these materials, but perhaps it might be technically wise to invest in something new.

AG noted that his background was in soft drinks sector, where there is a move to a circular economy. How does the coffee industry influence/traction to drive schemes on collections and a circular economy.

OE noted that there is the flexible plastic fund which is to drive collection from flexible packaging producers. The is a focus to find a way to collect, it was started in 2020. Currently there is a trial called FlexCollect with approx. 4 local authorities to collect flexible plastics which is funded. The aim is to take those materials and we find processes to process it which is the most challenging part. A shift to mono-materials which would give you flexible material that could be collected in one, but it feels that this is likely this is 5-10 years away.

RRE asked if anyone else on the call was up to date with what the big retailers are doing, there were some trials with some retailers for consumers to take their plastics back to store. JB noted that she had some second-hand information that it was not going that well, people were collecting and bringing back to store, but the stores do not know what to do with it.

OE noted that the FDF are discussing with the retailers, and they are struggling to cope with recycling the materials. Some of the material is quite low quality that cannot be recycled or is not cost effective to do so. One of the retailers has noted that unless industry makes changes, they are going to stop collecting it.

PR asked in its purest state was EPR designed to try and force the commercial solutions as a lower cost alternative, along with the log jam of chemical recycling in Europe and the UK – presuming none of this is helping this commercial circle. OE noted that EPR is effectively moving us away from flexible plastics certainly the standard material, and plastics will be taxed very heavily. An option would be to move more towards paper.

RRE asked if there was appetite to have more of a focus on this and to have a working group on this for next year to look at as an industry as a priority for 2024. OE noted that perhaps it might be worth getting Ecosurety in to talk at the next Sustainability Meeting to talk about the progress and the current status. RRE asked those on the call and in the room if they would find it useful. AG noted that he thought that this would be very useful as this is an industry issue rather than a brand issue.

CoD the company who Tesco have been given funding to work on this in North Wales called PlastEcoWood, who are looking for partners, and who claim to have recycled 40 million plastic containers each year.



SW noted that she agreed she thought it would be useful, is not part of her role but would see who within her organisation could take part.

Action: SW

Action: BCA to reach out to those organisations mentioned.

Action: Members to talk with their in-house packaging teams if there is interest to set up a working group.

OE noted that you spoke about mono-materials is there a mix of materials that runs best on machines. DR noted that it depends on a customer-by-customer basis.

RRE asked if the mono packaging if it is less carbon intensive by using less heat to seal? DR noted that they did run some tests but there was not a very clear conclusion, consideration is being given to running further tests. DR noted that if this information would be of interest to people – DR noted that he will discuss internally.

Action: DR

6. Deforestation

- **Current Position on EU Legislation**

PR noted that Members are aware of where the legislation is, but there is a growing expectation that whilst the legislation will not change there will need to be some degree of flexibility in implementation. Whether this is in the form of a transition period, which might include not applying penalties for a period of time or applying at different time periods for different commodities remained to be seen.

The expectation was the EU would have updated their Q&A by now. It was understood that some of the points remained under discussion with Member States.

Work is progressing on the database, and we know the Commission are looking for companies to be a part of that, some 100 in total across the 7 industries/commodities and in different points of the chain. PR added if you are a UK company, we are not quite sure where you may fit in, but a number may have European links.

PR added that the Commission will have to produce guidance, and this may run into the new year. It now fixed that this will not be reopened by the Commission, but some countries are pushing for that! The Commission does have to still speak with several origin countries about the risk levels they need to apply.

ECF is still looking at several 3rd party options and how they marry up, is there any form standardisation across these 3rd party companies, so businesses have confidence that these are delivering to standard that the EU are looking for.



The European Space Agency work will be open source for other businesses to access.

PR noted that following a recent conversation with a retailer, they previously admitted they felt behind the curve with deforestation but have been catching up and are due to publish shortly what they will be expecting from their suppliers.

PR added that with retailers it is a mixed picture across the EU, with the discounters such as Aldi and Lidl are quite a way down the line.

PR noted that following the conversation with the retailer is there something that we in the UK coffee industry could do together and develop and bring different elements together, perhaps with not the BCA leading it but assisting with facilitating.

PR noted that from a UK perspective there is the expectation that more information would be imminent, not quite clear if this is guidance or secondary legislation. But events of the last few days may have changed this, but sources say the aim is to bring out more information.

If there was secondary legislation, it would likely be pretty much in line with the consultation document that came out the beginning of last year, it would likely to introduce commodities in more slowly unlike the EU.

PR noted that we put out another Q&A a couple of months ago, and we will be updating this as and when more information is forthcoming. But please do contact us if you require further information or guidance.

TdF noted that there is another BCA Webinar on deforestation on the 30th November that may be of interest to some Members. PR added that this will be Aguity who are looking more at the producer level, and with an aim to get more communications/financial information down to a producer level.

DP asked what the likelihood of the EU deferring for origins that are not yet compliant. It is likely that we will see massive yields in certain farms increase because of the numbers of non-compliant farms who suddenly want to sell their coffees but are unable to. How does an exporter manage that supply and risk. PR noted that this was raised on our last webinar that we ran, and as yet there is no definitive answer. Regarding the implementation the date is the date, which is very clear, how they then implement it is the question not just coffee but across 7 commodities. Some countries are ahead of the curve and ready and have invested to get to this point and would likely be aggrieved at those who have not who seem to get an advantage. The Commission need to find a way to implementing on 1st January 2025, and those not meeting the requirements as deferred for a period of time.

RRE noted that some certifications are starting to catch up, to try and include EDR compliance as much as they can, to support co-ops on the ground to support transition. RRE noted that we are



likely see more guidance from certification partners next year. This has also been raised through the ICO also have a working group on this representing producing countries.

RRE noted that there was a letter written to the EU on behalf of producing countries, has a response been seen, PR believed no response has been seen and likely that there will not be one.

PR added that if you feel there is anything that Members may feel that we should be working on please do let us know.

Action: BCA/ALL

CoD asked about how many Member States were going to be ready to implement these changes, PR noted that Germany and The Netherlands seemed to be the furthest forward, but many were not.

JB noted that imported instant coffee is not caught by the regulation, but if we answered like that to our retail customers would not appreciate that response. PR noted that most people believe that leaving **Chapter 21** was an administrative error but not one that could be addressed until the planned first review in 2025.

- **Future Output from BCA?**

PR added that if you feel there is anything that Members may feel that we should be working on please do let us know.

Action: BCA/ALL

7. Environmental Labelling

- **Latest IGD Position**

PR noted that we have talked about this over several meetings.

We are involved as one or two members are in a wider group looking at a project run by IGD.

They are now running a further virtual trial, focussing on the presentation of information on products which already carry other data such as welfare labelling.

They are trying to get an assessment as to how individual consumers react to this labelling.

For BCA the concern continued to be the basis on which this information would be given on the label. At the last meeting the core group had moved back from a per portion serving to a per 100g. We know from some of the other European work done, if on this basis you as a consumer will not be able to understand on a coffee basis who is performing better. Talking to the FDF they are getting a sense from their separate discussions with IDG this is resonating with them although no changes seen at present. What IDG will produce from this project will be a component part to inform Defra. We will continue the argument for as per portion serving as 100g would be irrelevant to us and several other products. IGD are coming into more difficulty with and getting pushback, are we using



industry wide data or product specific data, with more of a push to get data from the products themselves.

PR stated that the ECF have just restarted their PEF work, which may produce data that we can use at a later date.

PR added that the IGD project has run twice the length of time that it should have done.

RRE asked if there was a timescale for next year. PR noted There is a timeline, and we will add this to the minutes. *Subsequently confirmed project is intended to complete at end of 2023.*

8. EPR Update

PR noted that we are aware that everything has been pushed back.

If EPR comes there are many questions around costs. The question remains around what happens to the revenue produced from this as it is not currently ringfenced for reinvestment into innovation.

PR noted that we will be looking at running a webinar with Defra on the Take Back Cup scheme, this will likely be earlier next year. TdF noted we are aiming for January next year, but date and audience yet to be confirmed.

OE asked if any Member has made a submission regarding EPR, and how did they find it. JB noted that they had, it was a first attempt and felt that it was not 100% correct but felt that future submissions would now improve from that and was definitely worth doing. PR asked if people were using 3rd parties to submit the data, JB noted that they collected the data in-house and discussions held with the third party who then submitted. JB added that they believed you could not submit the data directly and had to go through a 3rd party.

9. ECF Update

• Green Claims Draft Legislation Update

PR noted that this is where the ECF PEF work is aimed at. It is something that is very much for the next European Parliament.

OE asked about LCA's verified by external agents, was that an approved external body, PR noted that if you are working with an existing 3rd party likely that they would be considered as a 3rd party agency. PR noted that he would check on this.

Action: PR

• Single Serve Units, LCA's & PEF's

PR noted for information as the UK sits differently to the EU. There is due to be a vote this week, with the Spanish Presidency having put out a revised paper. The EU improved position now allows for both recyclable and compostable materials in relation to single serve units, this covers both tea and coffee. There are still questions if this is both home and industrial compostable and how would



you prove that and was there a mechanism for recovering these materials certainly into an industrial system.

From an ECF point of view things are looking much more positive than they did a few months ago, and this is in part down to the hard work that the ECF, Associations and Companies have put in to educate and inform the MEPs on the committees.

We are expecting both the Parliament and Council to finalise its view this year, with negotiations in 2024. The ECF feel this may be pushed through before the elections next year.

Again, as noted previously PEF will be a big focus of the ECF in 2024, it would be good to come back and look at this after the first meeting of this working group.

OE asked about the EU's position around single serve units they class as packaging is how they handle that; do we know if the UK are taking note of this and what their position might be. PR noted that previously there was a Defra consultant who had suggested that these should be added to packaging, this did not gain any traction. Since then, Podback had been established and operate and brought in several local authorities with several other companies also joining. PR added that the UK has a different system of collection than the EU.

- **Forced Labour Regulation**

PR noted that we discussed last time, it would move the burden form the Member States to the businesses themselves and ties in with the wider Due Diligence legislation that is already there. The Commission will produce a database of risk areas and risk products.

RRE noted that there was a presentation at the ECF meeting from a group called Coffee People, a charitable organisation producing materials that could be shared on social media within coffee organisations. TdF noted that we had raised this recently within the weekly newsletter.

A question was raised on forced labour and were there any classifications that the EU are following. PR noted he believed they are following the ILO definitions, but he would check.

Action: PR

10. AOB

- **Confirm 2024 Draft Priorities**

PR noted that he had put down some possible 2024 priorities for this Committee.

- Deforestation
- Carbon
- Packaging
- Living Income

RRE noted that since COP26 things have changed, and things have stalled a little bit. As a sector it is an opportunity for opportunities to collaborate. RRE added that a survey was sent out last year, to ascertain if we could establish a benchmark as an industry in the UK to see what our current level of ambition is, where you are in the journey or resources or support that we could bring in or facilitate



for what is a complicated process. Is there still ambition or appetite within the Committee to gain some traction on this if this aligns with your organisations interest as well.

Action: ALL

RRE asked if anyone was going to COP28 or have colleagues attending, that any update or resources that could be shared, that they are sent through to TdF.

Action: ALL

OE noted that we should be focussed on it, JB noted she agreed that this was also important.

PR noted that with our APPG and our Drop-in sessions this is where we can discuss/educate parliamentarians the work that is being done within industry. The Drop-in has had to be pushed back to April next year due to recent the King Speech.

RRE added that if you have specific contacts for certain topics that you feel would be of benefits to the Members, please share with TdF. TdF reiterated if Members do see something they feel of relevance please do share.

Action: ALL

- **EU CBAM**

A query had been raised regarding the EU's Carbon Border Adjustment Mechanism (CBAM). PR noted it is part of the EU's green deal from back in 2017. Its aim to ensure that there is no market disadvantage by those in the EU reducing their carbon and increasing their prices for those that have a higher carbon but could sell at a lower price. Initial focus is on 6-7 high energy sectors, none of which are in food and drink. It remains possible however the concept could be extended to other sectors, possibly by 2030.

JB noted that after doing some further digging not for 'us' at this time.

11. Dates & Times of the 2024 Meetings

PR noted that we did a survey a few weeks ago as to the most suitable day to hold this meeting in the future. Thursday came out as the clear favourite.

Action: BCA

RRE added that meetings always run better in person, and it would be fantastic to see you in the meetings.

PR noted that if any Member would wish to host a meeting moving forward, please do let us know.

Action: ALL