



Board Meeting Minutes
Wednesday 29th November 2023
Via Teams

Present at meeting:

Paul Rooke	BCA Executive Director
Tracy Brown	BCA Secretariat
Thomas de Freitas	BCA Media & PA Manager
Andrew Kerr	OCR Commodities (BCA Vice Chair)
David Llewellyn	AVA
Roxy Rocks-Engelman	Cafédirect (BCA Sustainability Chair)
Angus Kerr	Coffee ag Ltd (BCA A&CC Chair) (Part of Meeting)
Esme Knight	Costa Coffee (Communications Chair)
Terry Sparling	DR Wakefield
Fergus Wilson	ETG Commodities
Elizabeth Barry	Equatorial Traders Ltd (Part of Meeting)
Carole Liminiana	Filhet-Allard Maritime
Thomas Blackwall	Finlays
Mark Ayling	ICE Futures Europe
Mick Flynn	Sucafina UK Ltd

1. Apologies for Absence

Jenny Breadmore	Cafea UK
Jason Cross	CWT
Richard Hankinson	ICE Futures Europe
Jane Aldridge	Nestlé
Eric Allen	R Markey & Sons Ltd
Kristine Breminer Isgren	Sucafina UK Ltd
Chris Coates	Taylors of Harrogate
Katrine Biret	Trade in Space

2. Competition Law Compliance

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

3. Minutes of the Last Combined AGM/Board Meeting

No comments received – minutes approved.

4. Matters Arising from Previous Meeting Minutes

No matters arising.

5. BCA Chair & Vice Chair Positions

PR noted that Krisztina Szalai had to step down when she took a new position with the SCTA. AndK and KS before she left were talking to a number of people who would look to take the Chair but need to confirm internally with their own companies. We have spoken to another couple of people who would look to take up the role in say 4-5 years time. AndK has kindly agreed to step back in as Chair until we are able to put the nominations to the Board and to be ratified

at the AGM in March. PR noted that if other members are interested in taking the Chair or Vice Chair positions but want to understand what is involved, please contact the BCA.

AndK noted that in the past we have tried to have in post an Industry / Trade person and then for these to rotate.

6. BCA Accounts

- **Management Accounts and Balance Sheet to 31/10/23**

PR noted that accounts had been circulated ahead of the meeting.

Income for the full year was forecast to be very slightly down on the budget. In part this was a smaller income from existing subscriptions as well as Dinner income (albeit that Dinner expenditure was also lower). Arbitration income was slightly ahead of budget and this remained a very active area at present.

From an expenditure perspective it was noted that salaries for the full year would come in below budget due to not having had a full staff count at the start of the year. Most other cost items were at or close to budget. With most cost items now accounted for the outturn for the year was expected to show a greater surplus than originally budgeted.

PR reminded the meeting that we had previously agreed to move an amount of money from the Arbitration account to the main BCA account. Given the current level of activity it was possible we may repeat this exercise in the future.

PR noted previously we may look to utilise some of the surplus to undertake new market research as we have not done this since 2021.

- **BCA 2024 Working Budget**

PR noted that there will be a very slight increase in salaries in 2024.

PR added that regarding office rental costs, we are currently looking at a smaller office within the same complex, we are looking to see if we can make it work as it is quite a bit smaller. We hope to make a decision on this during December.

There have been some slight changes in travel costs to take account for increase travel and costs and attendance at some international meeting and events.

We are therefore looking at a slight deficit for 2024, but we are looking at a business event prior to the dinner which may bring in additional income.

7. Committee Reports

Sustainability Committee

RRE noted that obviously EUDR continues to be a big issue, and the BCA has produced a Q&A which we continue to revise as and when information becomes available. RRE added that the ECF now has membership of the **Commission Multi-Stakeholder Platform on Protecting and Restoring the World's Forests**.

RRE noted some of the possible priorities for 2024 were recently shared with the Sustainability Committee, Members were interested in having different workstreams.

- Deforestation (EUDR)
- Carbon
- Packaging
- Living Income

We will also look to introduce a Calendar of Key Coffee Events and is working with TdF and PR on this.

We also hope to look at revisiting the BCA White Paper – From Bean to Bin and Beyond – last updated in September 2018.

TBlack felt a number of businesses were currently trying to develop an approach to EUDR and suggested it could be part of the BCA's role in 2024 to reach out to the Members to try and understand how they are identifying and managing risk. Could we perhaps amalgamate the feedback and look to set out best practice guidance.

RRE noted that we are expecting more updates from our EU counterparts in the new year. We are looking at utilising the forum section on the BCA members area of the website for this specific issue, to perhaps include stats and latest information, further details to follow.

RRE noted that one of the challenges the size of business and operation changes how you approach this and the different supply chains. Perhaps a call could be put out to the members to enable us to create a framework. As part of our connection with the ECF we are hoping to get visibility of the pilot process, as this would help reduce the uncertainty if we can collectively have sight of this.

PR noted that one of the challenges we have had has been businesses being willing to give us their questions and problems.

PR noted that we have had several conversations with different organisations in the chain including with retailers about bringing the whole chain together, retailers are very aware of the penalties involved. Some of the other commodities do already have this arrangement already, but it will depend on resource as to who manages this.

PR noted the aim of the BCA webinars are also trying to bring together 3rd parties who may or may not be able to offer assistance.

TBlack noted that if you ask people what their problems are with EUDR, many are not aware as to what these are at this time, perhaps instead we need to ask what their best practices/solutions are. RRE stated that there are some great ideas that come from the Members during these meetings, but we do need the engagement of the Members to share their approach which will enable the BCA to be able put something collectively together. AndK noted that we put out an Expression of Interest to Members and if we get an uptake to convene a meeting in January, PR added that if someone is willing to put their self-up confidential basis, but it could assist the other Members.

MA noted that everyone you speak recently is awaiting the FAQs to come out from the EU, do we have a timescale on these. PR noted that we have had dates, and these have slipped, a number of the Members States have differing views. There is still a hope before Christmas, and we will update our Q&A document as soon as this received.

PR noted that he will have a catch-up with TBlack to get a bit more detail and understand where we are trying to get too.

Action: PR/TBlack

Communications Committee

EK noted that TdF has done a review of our media channels as to assess which is best for the BCA moving forward.

From a media point of view TdF did his first interview, the BCA has received a number of media enquiries many asking for up to date stats. As mentioned by PR earlier updating our industry stats and associated costs to be taken into the next meeting.

EK noted that we have run several Webinars in 2023 and a number are planned for 2024. Tdf added that the upcoming webinars will not all be around deforestation some will be educational pieces as well.

EK added that we now have a revised date for our Parliamentary Drop this is now scheduled for April 2024.

Regarding the All-Party Parliamentary Group (APPG), we have had 11 MPs signed up, and we continue to work on the programme.

TBlack asked as we look to 2024, do the Committee Chairs need to start looking at budgets and any requirements. EK noted that from a Comms point of view it is understanding the cost implications of new market research and also collateral requirements.

PR noted that there is a capacity to do additional work.

Arbitration Committee

AK noted that we have had several Arbitrations that have been registered, and TB is doing an excellent job in managing all of these, it is the most that have been registered in a short period of time. We have also had to seek some legal

advice on one arbitration case. With all the different arbitrations being registered it has shed some light on some slight changes required to the rules.

8. Executive Director Report

APPG

TdF noted that we are working with the UKTIA and the SSA with the formation up of a joint All-Party Parliamentary Group. To be able to educate the MPs on the industries when they are speaking on the subject. This is progressing well we required 4 officers cross-party and from the House of Lords, we have had a great level of engagement with 11 wanting to join. We are still looking for a Labour MP to sign up as an officer. TdF noted that Lord Mott has just recently expressed interest to also join this APPG.

The BCA, UKTIA and SSA will share the secretariat duties and costs associated related to this APPG.

While we are waiting to get all the boxes ticked, we are working on the programme.

TdF went on to give details on those joining the APPG.

There will be an inaugural meeting, which will establish the APPG.

TdF asked if any members if they have any suggestions of items to include in the programme, please feel free to contact him.

Action: ALL

TdF noted that Farming Minister Mark Spencer and Food and Drink APP Chairman John Stevenson have agreed to speak.

RRE asked if feel that we need to have clear position on a few key messages that we want to communicate at these meetings. TdF noted that the UKTIA and SSA they have agreed a few key topics that would cover such as agricultural small holder farmer, living income, climate – that impact the 3 industries. TdF noted that we could have positions in place that could be presented or included as background documents that are supplied before the meetings. PR added that the APPG gives us a venue to look at some sort of medium-term issues and focus back on government on what they are doing and their strategy.

Parliamentary Drop-In

TdF noted that as EK previously noted the drop-in was originally scheduled for 1st November 2023, but was postponed due to the Kings Speech. We now have a date following PMQs on Wednesday 10th April 2024 from 1pm-3pm again using the Jubilee Room. The BCA's constituency MP, Robert Courts is sponsoring the event. The event will run as previously planned. We will then look to run future events where more Members can be involved. PR added that a couple of Members have already asked to take part in the next session.

Associations Update

PR noted that this is a continuation, we continue to work closely with several organisations and associations, primarily this has been around Deforestation/EUDR.

From the BCA's point of view how do we take the agenda forward, and how we take the opportunity with all the work we have done on deforestation, how we look at data ownership and digitalisation especially at producer level.

Deforestation – UK & EU

PR noted that we have talked about this previously; our focus has been on the Q&A and 3rd party webinars. Part of the work we are doing is linked with the ECF and the European Space Agency. There is a growing a realisation in the Commission that there is going to have to be a little bit more information, and the implementation timetable has to be looked at again. We talk a lot about where the industry, is we should also recognise from the Commissions point of view their expectation is that all Member States will be at the same point, it is very clear that Member States vary as to their readiness.

From the UK point of view, we are expecting to see the next stage in development, there has been some work on IT systems, what we are not clear on is if we are going to see guidance or secondary legislation. But likely that the UK will be a graduated approach with other commodities such as soya ahead of coffee and cocoa.

EnviroScore Labelling

This has been covered under the Sustainability Committee.

IGD project was to develop a harmonised UK scheme, as to how we give the consumer understanding of what is on the packaging. There are currently 4 main indicators.

- Climate Change
- Water Use
- Water Quality
- Land Use

PR noted that the BCA has been on the IGD wider group for sometime. We and other sectors have the same issue we would like to see labelling as a per serving basis rather than a per 100g, as the later would be extremely difficult for a consumer to understand, and our concerns continue to be fed back in.

A concern is the use of averages rather than product specific data and we need to avoid trade barriers. PR added that the ECF have restarted looking at their Product Environmental Footprint (PEF) project. A number of coffee companies within the ECF have started on this project.

Packaging & Packaging Waste

An EU review will now encapsulate everything as packaging. Likely there is the potential for both recycling and composting options to be allowed.

PR noted a couple of years ago there was a suggestion that the UK to include single serve units into packaging. PR added that we have re-circulated a BCA position statement and awaiting final sign off.

PR noted that within the Sustainability Committee, packaging, availability or packaging, recycling of packaging etc. it something that we are keeping on top of and we will bring in more speakers to assist us next year.

Technical & Regulatory Review

PR noted that we had a representative from the FSA, Mark Willis come in a talk to the Committee this morning on a range of issues.

- **Glyphosate**

Re-registration is now going ahead at EU level before the 15th December 2023, and for another 10-years. The MRL review is still going on, both in the UK and the EU, it could mean that the MRL in the EU is reduced by 50%

The UK MRL review is ongoing, but we have no timetable as yet.

In the UK re-registration due by end of December 2025.

- **Contaminants**

FSA have confirmed that they will be putting out a data call for Acrylamide in early 2024. A large expectation that coffee values will remain unchanged.

For Furans even if you have a higher level in the green bean you have a reduced level when processed.

- **Mineral Hydrocarbons**

The FSA remain concerned with MOAH and with the jute bag manufacturing, the ECF are running a project with the Cocoa Association on this.

- **Dichloromethane (DCM)**

There is a proposed review of the categorisation of DCM, this is a solvent used in the decaffeination of coffee, the review is suggesting that it should be reclassified as carcinogenic and mutagenic. That report has to be considered by the European Health Agency and could take a year or 2 to do that.

The coffee focus is on worker exposure and not the finished product so not a consumer health concern.

It is not known if this reclassification will be accepted, and if anything can be done that recognises the slightly different position coffee in from the other product sectors. The work is being done with the European Solvents Association.

Contracts & Arbitration

PR noted that we ran a workshop for existing Arbitrators back in June.

We are looking at a more constructed training programme for new or incoming Arbitrators.

PR noted that AK was involved with the ECF Contracts webinar which had over 250 participants.

We have been involved with a review of the existing Arbitration Act, some points were raised, some of which would have impacted several of the Arbitration Services. Feedback was given, and pleased to announce that the Law Commission has recognised and no significant impact to us with the changes being made.

In 2024 there may well be a possible review of the ESCC, especially incorporating deforestation/sustainability. It will be an interesting and slow process to go through and how these changes can be worked into an industry standard contract.

9. Membership Update

PR noted that we have been talking to several potential new members, and we are still keen to focus on bringing into the membership some of the smaller/medium sized companies in the roasting area. We have discussed with the Executive Committee recently and we are looking to set-up a small working group to review the basis of the membership fees, which are currently based on UK Green Tonnage, and to look at a format that is more common with other Associations around Turnover. It is the area of exploration not the final outcome. PR added that if we go down this route, we would look to have in place calculations for different sectors. The aim is not to change anyone's subscription levels but allowing for security going forward. We would like 6 or 7 Members across all the membership categories to join this working group. AndK added perhaps members from small, medium and larger companies. PR noted that hopefully this would be an online process meeting virtually rather than in person, and if we can get this done within the next 12 months.

Action: ALL

AndK noted the aim of doing this was to try and smooth out membership levels rather than the current banding that we have.

10. Items to go forward to 2024 AGM

PR noted the positions of Chair and Vice, a call for nominations will go out ahead of the AGM in March 2024.

TBlack noted that perhaps we re-survey the membership as to their priorities for the BCA. PR noted that this would be a good idea and revisit early in the New Year.

Action: BCA

10. Date and times of the Board Meetings in 2024

PR noted that the AGM will be towards the end of March but not to impact on Easter. The additional meetings dates to be communicated asap.

Action: BCA