



**BRITISH COFFEE  
ASSOCIATION**

## Sustainability Committee Meeting

5<sup>th</sup> July 2023





## Agenda:

Cranfield Presentation

Deforestation - UK & EU

Environmental Labelling

EPR Update

ECF Activities

- Green Claims Directive
- Forced Labour



## Deforestation – UK & EU

- EU finalized legislation 9<sup>th</sup> June
- Entry into force – end June '23P Agri Cte sign-off – Jan '23
- Requirements apply to business - end 2024?
- Question over guidance – who, when & how much
- Number of options coming onto market for satellite mapping
- ECF project with EU Space Agency is ongoing
- Business readiness, producing country readiness?
- UK – no new developments, waiting on Defra next steps, timeline unclear

## So where are the challenges?



- Detail
  - Regulation is a black and white picture when it needs to be full colour
  - Who provides the colour?
  - How is the data formatted and submitted to the EU?
  - What happens if the system is not in place in time?
  - Is coffee rejected at the EU border on 30<sup>th</sup> December 2024 – if not, then what are the consequences/procedures?
  - How accurately can technology be used to help the risk assessment process?

Cont/d....

## So where are the challenges?



- What is the state of readiness at origin (public and private sector)?
- What happens when data is not transferred along the supply chain?
- What are the risks of a two-tier market?
- What are the commercial implications – changes to terms – ownership of risk etc.?
- What are the chances of an 11<sup>th</sup> hour fudge?
- **BUT ALSO ....** Chance of unintended consequences?

# Environmental Labelling

- IGD project – continuing progress
- Aiming to be: inclusive, scalable, pragmatic & affordable
- Maintaining 4 main indicators
  - Climate Change, Water Use, Water quality & Land Use
- **Virtual Reality trials:** stage 1 completed end 2022 – based on sandwich purchase by 2,600 participants using 5 different label designs
  - Stage 2- using virtual sausage purchases – a high impact category and assess against health, animal welfare, organic etc. labelling
- **Scoring** – at this stage core steering group has moved project back to a nutrition focus and looking only at scores per 100g product.
- Not clear how this ties into project outcomes and BCA amongst number who have raised concerns at loss of option for portion based assessment.
- **Stakeholder engagement:** Meetings held with FDF members. Pre-existing areas of concern remain
  - Harmonised data approach
  - Review on-product information and provide access to online information
  - Avoid trade barriers – e.g. EU and NI
  - Avoid discrimination of products and/or supply chains

## EPR Update

- **Reporting**
  - 1<sup>st</sup> reporting period was Mar-Jun '23 (6 month periods going forward)
  - Submissions possible from mid September & must be by 1<sup>st</sup> October
  - Template example submissions will be available from mid August
- **Modulated Fees**
  - UK consultation on basis for 2025 introduction of modulated fees
  - Focus on materials recyclability in first year, other factors could be introduced
  - Opportunity to help Defra sponsored Kantar research – 60 min interview
    - [CPRenquiries@defra.gov.uk](mailto:CPRenquiries@defra.gov.uk)
- **Ongoing Concerns**
  - Industry challenges continue over costs and lack of ring-fencing



## **Green Claims Directive**

- Tightening basis for claims
  - Covers explicit environmental claims
  - LCA's verified by external agents
  - Claim only when outperforming other products in category
  - Cannot self-verify claims – existing cert bodies etc, likely to be approved
  - Will go to new EP, therefore in force late '26 at earliest

## **Forced Labour**

- Proposals being considered by EP Ctes, votes likely in autumn
- Switches burden from MS to business
- Ties into wider Due Diligence legislation
- Database or risk areas/products – emphasis on business to disprove