



EUROPEAN
COFFEE
FEDERATION

FOOD AUTHENTICITY GUIDE

Five steps to help protect your
business from food fraud

Support for Small Business

October 2021



Introduction

Coffee manufacturers rely on their supply chains to ensure consumer choice, affordability, consistent quality of products and continuity of supply. As any supply chain, no matter how simple or complex, it can present risks that need to be adequately managed. As the global supply system comes under increasing pressure from population increase, growing demand for limited resources and changing diets, companies also need to be alert to the potential for food fraud and actively work with their customers and suppliers to identify and mitigate the risks of food fraud.

Food fraud¹ is about “any suspected intentional action by businesses or individuals for the purpose of deceiving purchasers and gaining undue advantage therefrom, in violation of the rules referred to in Article 1(2) of Regulation (EU) 2017/625 (the agri-food chain legislation)”.

This simple guide sets out a **step-by-step process** to help coffee manufacturers of all sizes protect their businesses from food fraud by helping them to identify, prioritise and manage upstream supply chain food authenticity risks.

Four key operative criteria are referred to for distinguishing whether a case should be considered as fraud or as non-compliance. If a case matches all four criteria, then it could be considered a suspicion of fraud.

Violation of EU rules

It entails a violation of one or more rules codified in the EU agri-food chain legislation as referred to in Article 1(2) of Regulation (EU) 2017/625.

Deception of customers

This criterion entails some form of deception of the customers and/or consumers. Moreover, the deceptive element may also come in the form of a public health risk as some real properties of the product are hidden.

Undue advantage

The act brings some form of direct or indirect economic advantage for the perpetrator.

Intention

This criterion can be verified through a number of factors which give strong grounds to believe that certain non-compliances are not happening by chance.

The European Coffee Federation would like to thank the British Coffee Association for the use of the Food Authenticity Five Step Guide.

¹ See Appendix for full definition and Glossary of Terms used in food fraud documentation.

Collect information to describe your supply chain on a product basis from a food authenticity perspective.

STEP 1

MAP YOUR SUPPLY CHAIN

Questions to consider

- What is required to produce the product, e.g. ingredients, water, packaging, transport?
- Who are your immediate suppliers?
- Who supplies them? Think about suppliers all the way back to export processing mill/manufacturer as a minimum, or further if customer/product claims require.
- Are you changing a supplier or process?
- From which countries are key resources sourced and what do you know about them, e.g. are there any geopolitical issues?
- What are the critical resources for your business?
- What gives the coffee its value e.g. specific provenance?
- What specific ingredient requirements do you have, e.g. product certification schemes, origin or provenance, Arabica and/or Robusta split?
- On what basis do you buy the coffee, e.g. any, traded, on a specification requirement?
- Have you considered seasonality of supply?
- State of raw material in natural form or processed (easily identifiable)?
- Ease of access to raw material through to supply chain?

Getting started

- Use expertise from both within your business and outside, such as ECF or your National Coffee Association and other intelligence sharing networks such as your local Food and Drink Association, to help gather the relevant information.
- Start by mapping major coffee sources i.e. those that are most critical for your business.
- Gather information from suppliers to identify those who are most at risk, e.g. via questionnaires, supplier assurance, audit processes, verification and certification.
- Consider creating a visual map of your product supply chain.

KEY OUTCOME: SUPPLY CHAIN MAP

Understand the key risks and opportunities for food fraud in your supply chain.

STEP 2

IDENTIFY IMPACTS, RISKS AND OPPORTUNITIES

Questions to consider

- What is required to produce the product, e.g. ingredients, water, packaging, transport?
- Is anything that you are sourcing in short supply and/or the subject of media or other concern?
- Have there been changes in the products, processes, or supply chains your business depends on?
- Are your supplier's assurance and audit systems fit for purpose?
- What are the risks to your business, market presence and reputation?
- Are there possibilities to commit food fraud? (see glossary for definition)
- Is a supplier or potential supplier offering you a deal which seems 'too good to be true'?
- Can you identify any other changes to the coffee processes or supply chains that may constitute a risk?
- Ease of testing – simple, complicated, or not available?

Getting started

- Make sure you are aware of the main factors which may impact on your supply chains (i.e. economic and seasonal variables).
- Identify resources that could be the target of fraud because of their value or associated sensitivities e.g. provenance.
- Think about coffee and whether there is any history of authenticity problems.
- Gather information from suppliers, e.g. brokers, on identified supply chain risks, including whether they have action plans in place.
- Include in your risk assessment information from other sources such as ECF, National Coffee Associations and other intelligence sharing networks i.e. National Food and Drink Associations.
- Continuously monitor for risks in the supply chain, e.g. environmental and economic changes which may affect the supply chain.

KEY OUTCOME: COMPLETE RISK ASSESSMENT

Analyse how your business can manage food authenticity related risks and take advantage of opportunities to limit food fraud.

STEP 3

ASSESS AND PRIORITISE YOUR FINDINGS

Questions to consider

- What are your key risks and who are the associated suppliers?
- Have you prioritised supplier risk separately, e.g. type of supply chain, direct or indirect suppliers, outsourced?
- How well do you know your suppliers, e.g. how long have you been dealing with them and what is their track record like?
- How can you learn more about them, e.g. partnerships, supplier schemes?
- Are your processes for appointing new suppliers robust?
- Do you have full visibility of your supply chain e.g. back to processing mill/manufacturer as a minimum or further if customer/product claims require?

Getting started

- Ensure strong links between procurement and regulatory or technical teams to help monitor and assess the key risks and potential opportunities for food fraud.
- Ensure you are using your supplier's assurance and audit systems to help you to assess and prioritise supplier risk, to include outsourcing to third parties.
- To help assess risks, make the most of external sources of information, i.e. ECF, National Coffee Associations, National Food and Drink Associations.
- Create a risk matrix (e.g. changes in regulatory requirements, supply and demand imbalances, resilience of supply chain and documented cases of fraud) to help with prioritisation.
- Assess what is business critical.
- Make sure you know what you are buying, have agreed specifications signed by both parties and have monitoring and compliance checks in place. Does your purchasing and delivery paperwork support this?
Aspects to consider: ISO 24114, Arabica and Robusta split as well as country of origin.

**KEY OUTCOME: IMPROVED KNOWLEDGE ON HOW TO MANAGE
RISKS AND OPPORTUNITIES**

Define a set of actions to reflect the risk of food fraud and prioritise the opportunities to limit it.

Questions to consider

- How can the identified risks be mitigated?
- What measures are feasible to address the priority risks?
- Who is responsible for delivering the different parts of the plan?
- How can you get support from senior management to address these actions and incorporate them into company strategy?
- How best can you involve your suppliers?
- What are your success criteria?
- Customer requirements?

Getting started

- Consider the effectiveness of your chosen supplier assurance systems in limiting the opportunities for food fraud and mitigating the risk from authenticity issues (including prioritisation of supplier risks).
- Traceability exercises.
- Country of origin documentation.
- Consider the role of authenticity testing, for Instant (ISO 24114) or for bought in Roast and Ground.
- Ensure your plan is implemented and communicated internally.
- Meet with suppliers about the risks you have prioritised and explain what you would like to achieve.
- Ensure senior management sign-off the company's strategy. Consider using external expertise, particularly to address risks where you have no immediate solution.

STEP 4

CREATE A PLAN OF ACTION

KEY OUTCOME: ACTION PLAN BASED ON KEY RISKS AND OPPORTUNITIES

Ensure action is taken, and progress tracked and communicated.

Questions to consider

- What is required to implement the action plan with suppliers?
- How best can you measure and report progress to senior management and across the broader organisation?

Getting started

- Consider integrating relevant parts of the action plan into your supplier's assurance and audit systems.
- Agree a timetable for reviewing the action plan and regularly check it is on track.
- Make sure all employees involved have the support and resources they need - consider any company training needs.
- Consider broader internal communication and opportunities for external communications to enhance transparency and support.
- Think of all five steps as a cyclical process that needs to be reviewed and repeated on a regular basis, as well as in response to substantial changes in the supply chain, to ensure that it remains current.
- Continue to gather data and scan for changes in the supply chain which should trigger a process review.

STEP 5

IMPLEMENT, TRACK, REVIEW AND COMMUNICATE

KEY OUTCOME: FULLY IMPLEMENTED ACTION PLAN INTEGRATED
INTO THE BUSINESS

Appendix

Food fraud definition

The deliberate and intentional substitution, mislabelling, adulteration or counterfeiting of food, raw materials, ingredients or packaging placed upon the market for economic gain. This definition also applies to outsourced processes.

Examples may include (although are not limited to) the following:

- Deliberate and intentional substitution (replacement of premium ingredients with those of a lower grade)
- Mislabelling (misleading provenance claims)
- Adulteration (the full or part replacement of a foodstuff with erroneous material)
- Counterfeiting (the full or part replacement of a product with a surrogate item such as chicory in coffee)

To be noted that the only standardised methods related to food fraud in coffee are:

- ISO 11292. Instant coffee - Determination of free and total carbohydrate contents - Method using high-performance anion-exchange chromatography
- DIN 10779/UNE34100:2017. Analysis of coffee and coffee products - Determination of 16-O-methyl cafestol content of roasted coffee - HPLC-method



Appendix

Glossary of terms

Adulteration

The addition of an undeclared material into a food item or raw material for economic gain

Authenticity / Authentic Product

Food authenticity is ensuring that food for raw materials is purchased and offered for sale; that products are of the nature, substance and quality expected

Batch (also may be defined as “lot”)

The quantity of material prepared or required for one production operation

Food Defence

Procedures adopted to ensure the safety of raw materials and products from malicious contamination or theft

Food Fraud

Fraudulent and intentional substitution, dilution or addition to a product or raw material, or misrepresentation of the product or material, for the purpose of financial gain, by increasing the apparent value of the product or reducing the cost of its production

Food Integrity

Products that are of the nature, substance and quality expected (eg. not substituted, diluted, adulterated, or misrepresented)

Food Security

Procedures adopted to ensure the continued availability of raw materials and products

Good Manufacturing Practice (GMP)

Implemented procedures and practices undertaken using best-practice principles

Malicious Contamination

Deliberate contamination of a product or raw material with the intention to cause harm to the consumer or damage to the company or brand owner

Processed food

A food product which has undergone any of the following processes :

Aseptic filling, baking, battering, blending, bottling, breading, brewing, canning, coating, cooking, curing, cutting, dicing, distillation, drying, extrusion, fermenting, freeze-drying, freezing, frying, hot-filling, irradiation, microfiltration, microwaving, milling, mixing, being packed in modified atmosphere, being packed in vacuum packing, packing, pasteurisation, pickling, roasting, slicing, smoking, steaming or sterilisation

Risk Analysis

A process consisting of three components : risk assessment, risk management and risk communication

Risk Assessment

The identification, evaluation and estimation of the levels of risk involved in a process to determine an appropriate control process

Root Cause

The underlying cause of a problem, which, if adequately addressed, will prevent a recurrence of that problem

Threat Assessment

A risk assessment designed to examine site processes for potential product security and food defence issues

Traceability

Ability to trace and follow raw materials, components and products, through all stages of receipt, production, processing and distribution both forwards and backwards

Vulnerability Assessment

A risk assessment designed to examine processes and supply chains for potential food fraud



For further help, contact ECF or your national coffee association.

If you are a smaller business and do not know where to start, try answering a few basic questions first:

- What are your key raw materials?
- Where do they come from?
- How resilient is their supply chain?
- How do you protect your business from food fraud?

Above all **THINK RISK** and **PLAN AHEAD**.