

Etelle Higonnet
Director
Coffee Watch
etelle.higonnet@coffeewatch.org

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Dear Members of European Parliament,

#### Re: Coffee Companies Resoundingly Express Support for the EUDR

Coffee Watch is a watchdog nonprofit that was founded in 2024 with the aim of uncovering abuses in the coffee sector and pushing for a more ethical, sustainable coffee industry. In just six months, we have revealed abuses such as <u>deforestation</u>, child labor, forced labor, and slavery, in the <u>Chinese, Mexican</u>, and <u>Brazilian</u> coffee supply chains of companies like Nestle, Starbucks, JDE Peets, McDonald's, Dunkin, Illy, and major traders.

In February 2025, we launched a watershed paper revealing how the German and European coffee lobby groups launched a pernicious attack aimed at derailing the EUDR. That report is <a href="here">here</a> and summarized in <a href="FAQs">FAQs</a> co published with Coffee Watch & Fern. While lobby groups have sought to dilute the EUDR, arguing that compliance is unfeasible or overly burdensome, their claims stand in stark contrast to the actions and commitments of many of their own member companies.

A number of the named companies replied via the Business and Human Rights Resource Centre (BHRRC), as you can see <u>on this page</u> --- and so did the <u>German</u> and <u>European</u> industry lobby groups. In response, we submitted rejoinders which are available <u>here</u>.

In contrast to statements from the lobby groups they are members of, numerous leading coffee companies—4C, Dallmayr, illycaffé, JDE Peet's, Lavazza, Louis Dreyfus Company, Nestlé, Neumann Kaffee Gruppe, Olam, Melitta, and Tchibo—have recently **explicitly affirmed their readiness to comply with the EUDR and their support for its objectives.** 

The German and European coffee industry lobby groups were **entirely unrepresentative** in their assertions that the EUDR could not be complied with, and that the coffee industry wanted to see the EUDR watered down, delayed, or derailed altogether. We attach excerpts from of statements—directly from the companies themselves— that demonstrate that compliance is not only possible but already underway. Many of these companies have developed traceability systems, implemented risk assessments, and integrated due diligence processes to align with the EUDR's requirements.

By continuing to push for delays or exemptions, industry lobby groups are not representing the interests of the entire sector but rather a narrow subset seeking to avoid accountability. The European Union cannot afford to backtrack on its environmental commitments in the face of industry pressure from a loud but minority contingent.

Today, we write to you to **urge your steadfast support for the EU Deforestation-Free Regulation (EUDR)** in the face of continued attacks from industry lobby groups. These efforts to weaken or delay the regulation threaten to undermine a landmark policy designed to protect forests, biodiversity, and the livelihoods of producers who are committed to sustainable practices.

We urge you to:

Reject any attempts to weaken, delay, or introduce exemptions to the EUDR. The regulation is
already a product of extensive negotiations and represents a balanced approach to ensuring
responsible supply chains. If any further lobby groups or coffee companies come to you with assertions
that EUDR compliance is impossible and unpopular, we hope that you will rest assured that such



assertions are largely groundless. unfounded.

2. **Hold industry accountable for their commitments.** Many companies are already implementing compliance measures—demonstrating that full compliance across the sector is both reasonable and necessary.

The EU has long been a global leader in environmental policy. The EUDR is a crucial step toward making supply chains deforestation-free and ensuring that Europe does not contribute to environmental destruction abroad. We urge you to stand firm against pressure from industry groups that seek to erode these hard-fought gains.

Sincerely,

Etelle Higonnet Founder & Director Coffee Watch



#### **Excerpts from Statements from Coffee Companies**

# **4C**:

- "Since the revision of its certification system in 2020, 4C has maintained strict sustainability requirements, including a firm commitment to preventing the conversion of protected forests and high conservation value areas. These requirements were not only aligned with existing sustainability frameworks but also anticipated key elements of the European Union Deforestation Regulation (EUDR). In the annex, we have included links to relevant documents and supporting evidence that demonstrate 4C's longstanding commitment to deforestation-free coffee production."
- "Recognizing the evolving regulatory landscape, 4C proactively developed an innovative
- EUDR compliance solution in early 2024, ahead of the regulation's initial enforcement date of December 30, 2024. This solution was undertaken in collaboration with Global Risk Assessment Services (GRAS) and is designed to assist 4C system users 3 certified coffee producers, traders, and roasters 3 in meeting the EUDR's strict traceability and due diligence requirements."
- While the EU's legislative process has presented challenges in finalizing aspects of EUDR implementation, 4C has remained committed to supporting its system users. As a result, many of our users have already integrated EUDR aligned practices well ahead of the compliance deadlines, ensuring that they are prepared for the regulation's enforcement. 4C remains dedicated to promoting sustainable, deforestation-free coffee production and supporting the sector in meeting regulatory and environmental expectations."

#### <u>Dallmayr:</u>

 "Dallmayr fully supports the global goal of halting deforestation and is in the midst of implementing compliance with the EUDR in a timely manner under the existing regulations."

## Nestlé:

- "As Nestlé, we strongly support the objective of the European Commission to protect the world's forests and restore forests in a sustainable way. We have consistently advocated for a mix of complementary measures at EU level to address global deforestation in partnership with third Countries."
- "We have never called for any delay of the EUDR and have always opposed any calls to re-open the substance of the EUDR for new negotiations. Nestlé remains supportive of



- the objectives of the EUDR and its successful implementation. We will continue to contribute to discussions on the EUDR implementation to support the achievement of this objective."
- "Our work to achieve deforestation-free key supply chains started over a decade ago. As
  of the end of 2024, 93.5% of the total volume of our key ingredients cocoa, coffee,
  meat, palm oil, pulp and paper, soy and sugar are assessed as deforestation-free. Our
  progress has been recognized by the 2024 Forest 500 report in which Nestlé came out as
  the top FMCG company."
- "Thanks to our longstanding work in avoiding deforestation, we remain confident in our ability to comply with the EUDR. Since its entry into force, we have made significant investments to close any identified gaps together with our supply chain partners and we continue to work intensely in this area."

This echoes Nestlé's earlier commitment from <u>Commitment on Deforestation and Forest</u> <u>Leadership</u>

- "Nestlé believes that improving the sustainability of our raw materials will create shared value across the supply chain from local communities all the way through to consumers. The shared value will include inter alia maintenance and restoration of ecosystem services, improved net small farmer income, and stronger relations between the different actors in the supply chain."
- "We consider three years as sufficient time for suppliers to show material progress towards delivering traceability and meeting our RSGs, and five years as the maximum time that it should take to be able to demonstrate compliance."

#### <u>Lavazza:</u>

- "The objective of the EUDR is noble, and for Lavazza Group, forest protection and reforestation are central themes."
- "Lavazza Group is aligned to the objective of the EU Regulation on deforestation-free products and will continue to engage with policy makers, civil society and industry professionals in view of achieving a sustainable coffee supply chain from bean to cup."
- "Lavazza Group is committed to ensure compliance with the upcoming due-diligence requirements under the EUDR, within the deadline set by the legislator. We have involved a dedicated team of experts to create the adequate process and procedure to ensure such compliance as well as availability of our products on the market."
- "To verify that none of Lavazza's product contribute to deforestation and forest degradation, in accordance with EUDR, Lavazza is building its own due diligence system,



## **Neumann Kaffee Gruppe:**

- "NKG has always welcomed and supported the EU Regulation on deforestation-free products. We wholeheartedly share its objective to minimize the EU's contribution to deforestation and forest degradation."
- "The EUDR requires companies in scope to systematically carry out a number of due diligence measures. We are addressing the need for an efficient flow of information along the supply chain with a single, group-wide system for EUDR and business partner due diligence. We are working with osapiens, a German-based company that specializes in digital solutions and software for supply chain management, quality control, risk assessment and compliance. The osapiens Hub is the backbone of our system and will simplify, standardize and automate due diligence processes for EUDR and beyond."
- "Despite the postponement of the EUDR, we at NKG will continue to work towards being able to import EUDR-aligned coffee into the EU as quickly as possible. Currently, we are further improving and sharpening our EUDR approach and prepare our operations and supply chains to meet demands for EUDR-aligned coffee."
- "NKG has always welcomed and supported the EU Regulation on deforestation-free products. We wholeheartedly share its objective to minimize the EU's contribution to deforestation and forest degradation with the overall goal to reduce greenhouse gas emissions and prevent biodiversity loss. The protection of biodiversity and addressing global warming are important causes for us at NKG and central drivers for our business decisions and practices."

This echoes NKG's earlier commitments from 2024 Sustainability Report:

- "Additionally, we have been actively preparing for compliance with the European Union Regulation on Deforestation-Free Products (EUDR). In all aspects of our operations, we continually strive to find solutions that benefit both our customers and our producers in the supply chain."
- "NKG is in the best possible position to implement the EUDR, given the development of our supply chain programs[...]"
- "We perceive the EUDR as an opportunity to expand our efforts, strengthen supplier relationships, enhance integrated supply chains, improve traceability and provide greater value to our clients."
- "A key milestone in this journey is the development of a unified system for EUDR and Business Partner Due Diligence, underpinned by our recent partnership with osapiens.



This collaboration is aimed at strengthening NKG's position as the leading green coffee service provider, enhancing efficiency and supporting value creation across our entire group. Our proprietary supply chain programs, NKG Verified and NKG Bloom, already exceed EUDR standards and serve as blueprints for compliance. We are also proud that NKG Verified has seen substantial growth, now encompassing more than 30,000 farmers in NKG Verified supply chains. This expansion underscores our commitment to responsible sourcing along the green coffee supply chain."

## Olam:

- "ofi recognizes the EU deforestation law (EUDR) as a necessary and positive step, helping to strengthen the industry's efforts to tackle issues ranging from deforestation to human rights."
- "ofi's history of working to end deforestation in coffee and cocoa smallholder supply chains, together with our integrated business model, systems and technology solutions, and sustainability programs, mean we are well-positioned to provide the required due diligence and traceability obligations for our coffee and cocoa products destined for the EU market."
- "Our existing traceability and information systems already provide much of the data required for compliance and have been enhanced to ensure EUDR readiness, including traceability to individually mapped farms. We regularly perform extensive deforestation risk assessments using Google Earth Engine planetary libraries and Global Forest Watch."

## **Illycaffé:**

- "Respect for the environment is a fundamental value that has always directed illycaffè's strategy, of which the guiding principle of doing business is the creation of value for all the players involved along the production chain."
- "We remain committed to meeting all regulatory requirements and ensuring the sustainability and transparency of our sourcing practices."
- "illycaffè organized all necessary activities to ensure readiness for the EUDR's enforcement by December 30, 2024. We selected a dedicated partner for monitoring deforestation in the plantations from which we source coffee. The supplier is equipped to provide highly detailed images with a team operating across the countries we purchase from, allowing them to conduct on-site audits whenever there are uncertainties or needs.



 Currently, illycaffè is further refining the internal workflows by creating interfaces between the deforestation monitoring platform, the European TRACES system where due diligence declarations must be entered, and our internal systems (ERP and LIMS). These efforts aim to have complete control over the supply chain and eliminate manual operations."

# JDE Peet's:

- "At JDE Peet's our ambition is to positively impact people, our planet, and the future of coffee through our Common Grounds sustainability programme. As highlighted in the Coffee Watch report itself JDE Peet's has always been committed to sustainable sourcing practices and ensuring that our supply chains are free from deforestation."
- "JDE Peet's supports the objectives of the EUDR and we continue to work diligently to comply with the EUDR. We are taking steps not only to be compliant, but also to address the underlying problems that the legislation tries to address: global deforestation, biodiversity loss and climate impact, which threaten the future of the coffee industry. We currently work with smallholder farmers in more than 60 active projects in 23 countries to continuously improve sustainable and regenerative farming practices, farmer livelihoods and labour practices. (See Responsible Sourcing | JDE Peet's for more information.)"

This echoes JDE Peet's earlier commitments from <u>2024 Annual Report:</u>

- "The EU Deforestation Regulation (EUDR), effective end-2025 following a one-year delay, strengthens global efforts to combat deforestation by setting stricter rules for commodities linked to deforestation on the EU market. While the EUDR aligns with our Forest Policy, JDE Peet's Deforestation-Free programme exceeds EUDR requirements, advancing global deforestation free supply chains and supporting our FLAG targets to address climate risks." –
- "JDE Peet's expanded its global fight against coffee related deforestation by signing Memoranda of Understanding (MOUs) with Peru, Honduras, Rwanda, Burundi, and Vietnam. These agreements support smallholder farmers' market access under the EU Deforestation Regulation (EUDR) and enhance coffee's climate resilience, ensuring continued access to diverse, high-quality products." - From 2024 Annual Report

## **Louis Dreyfus Company:**

• "More generally, LDC is supportive of a swift introduction of the regulation, which aligns with the Group's ambition in this matter."



- "LDC continues its efforts to proactively prepare for compliance, including by engaging with and supporting our suppliers (especially smallholder producers) to address practical challenges associated with implementation."
- "In fact, as part of our commitment to eliminating deforestation and conversion of native vegetation for agricultural purposes from our supply chains, we already carry out deforestation and conversion due diligence following our deforestation— and conversion free methodology."
- "In addition, as non-producers, we have developed a due diligence, monitoring and grievance system to ensure that all LDC suppliers are aware of, and work to meet, the environmental and social requirements stipulated in our various commodity-specific sustainability codes and policies, as well as our global Supplier Code of Conduct."

#### **Melitta:**

- "As an international family-owned company with a tradition spanning more than 115 years, the Melitta Group expressly acknowledges its responsibility for sustainable development and transformation. In this framework, we actively support the objectives of the EU Deforestation Regulation."
- "In this context, we affirm that we:
  - fully support the objectives of the EUDR as part of our transformation and have integrated them into our sustainability strategy. This aligns with our overarching goal of exclusively sourcing green coffee from sustainable cultivation that preserves or regenerates local ecological systems by 2030.
  - o as an active member of the German Coffee Association (DKV e.V.) have supported and will continue to support all EUDR- and other sustainability-related activities in the respective working groups."
- "In summary, we view the EUDR as an important framework for advancing the protection of forests worldwide and establishing sustainable supply chains."

# Tchibo:

- "Tchibo supports the purpose of the European Deforestation Regulation (EUDR), protecting the world's forest and holding businesses accountable."
- "Tchibo is working continuously to adapt its due diligence process in light of the EUDR and improve the traceability of its supply chains. However, collecting data alone does not protect a single tree. For this reason, we are working intensively with our partners on the ground to expand our coffee program, for example in Brazil, where reforestation has long been part of our activities to increase local biodiversity and protect valuable water resources.

