

TEA & HERBAL INFUSIONS EUROPE

Formerly: European Tea Committee (ETC) and European Herbal Infusions Association (EHIA)



Food Fraud Guidance 19.01.2023

TEA & HERBAL INFUSIONS EUROPE (THIE) BEST PRACTICE GUIDANCE ON THE PREVENTION OF FOOD FRAUD

1. Introduction

THIE is the European Association representing the interests of producers, traders and packers of tea and herbal and fruit infusions; as well as extracts thereof. (THIE standards that outline key legal requirements and best practice guidance are available via THIE “Compendium of Guidelines” - see www.thie-online.eu)

Herbal and fruit infusions (HFI) materials are plants or parts of plants that do **not** originate from the tea plant (*Camellia sinensis* (L.) O. Kuntze) and are intended for food use by brewing with freshly boiling water. They also include blends that may contain tea as a minor component. Information on plants (and parts of plants) commonly used in HFI can be found within the THIE Inventory list of herbals considered as food.

Raw Materials used for HFI are agricultural products widely grown in both developed and developing countries. Although typically cultivated, a high proportion are also wild gathered.

Tea is derived solely and exclusively from the tender shoots of varieties of the species *Camellia sinensis* (L.) O. Kuntze and produced by acceptable manufacturing processes. Tea is intended for brewing using freshly boiling water for consumption as a beverage.

Tea is an agricultural product that is grown, harvested and primary-processed at origin. Although black and green tea are the most commonly known, other variants may also be produced as a result of different processing methods (see THIE “Compendium of Guidelines for Tea” for more specific details - see www.thie-online.eu)

2. Scope

This document considers the risk of fraudulent activity occurring throughout the whole raw material supply chain of tea and HFI; including what actions should be considered as a suitable means of mitigation. ***This includes taking into consideration findings from horizon scanning tools such as EU RASFF alerts. It also gives consideration to other guidance / working groups which help to give insights into Best Practice for global food supplies (eg. Codex Committee on Food Import and Export Inspection and Certification Systems)***

The scope of this document does **NOT** consider any of the following :



- Food Defence
- Food Safety (eg. microbiological)
- Food Quality (eg. sensory, texture)
- The role of Certification / Accreditation (eg. Organic, Rain Forest Alliance, Fairtrade)

See “Glossary of Terms” for specific definitions of these terms; along with other terminology used within this document.

nb. Although the above are not considered within the scope of this document, it is the responsibility of Food Business Operators to ensure they consider these issues within their own risk management processes.

3. Overview

Any supply chain, no matter how simple or complex they appear, may present the risk of fraudulent activity occurring. As raw material supplies across the globe come under ever-increasing pressures such as an increase in demand at the lowest possible price, businesses need to be alert to the potential “opportunity” for food fraud to take place and actively work with customers and suppliers to identify and mitigate any risks this poses.

4. Aims & Objectives

Food fraud is committed when manipulated food is deliberately placed on the market for financial gain, with the intention of deceiving consumers or customers. This document provides best practice guidance for members of THIE in the form of a step-by-step process. The aim is to help businesses of **all** sizes better understand any potential risk factors and vulnerabilities within their own supply chains that could lead to fraudulent and / or malicious activity. Where such risks are identified, this document will help to provide general guidance as to what steps may be taken as a suitable means of mitigation; thus helping to protect against fraudulent activity occurring.

It considers the supply of **any** raw materials intended for use as tea or HFI from the point of initial growing, through to harvesting, primary process shipping and storage prior to final processing.

nb. This document provides **general best practice guidance** as supply chains for tea and HFI are complex and may differ for different origins, suppliers and raw materials. It is the responsibility of members to ensure they consider all relevant risks and vulnerabilities within their own supply chains.

5. The Definition of Food Fraud

The deliberate and intentional substitution, mis-labelling, 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**
the replacement of specified ingredients
- **intentional mislabelling / misrepresentation**



- making misleading claims with regards to the provenance of a product
- **adulteration**
full or part replacement of a foodstuff with erroneous material not fit for consumption
- **counterfeiting**
full or part replacement of a product with a surrogate item (eg. chicory in coffee)

Annex I: Guidance to help manufacturers of teas and HFI identify and manage any risks and vulnerabilities within their raw material supply chains

The following 6 Steps act as a guide to help protect THIE members against the threat of fraudulent activity occurring. It does this by providing a list of questions that act as a prompt in identifying risk and vulnerabilities. It then provides guidance as to how you may go about addressing these; including how you could measure their overall effectiveness in managing any risks and vulnerabilities identified.

Step 1: Establishing Your Internal Team

Determine the competencies you require to both map your supply chain(s) and create a plan of action.

Questions to consider:

- As a business, can you clearly define the risks you are looking to prevent ?
- Have you mapped the areas of expertise you require to build a team to respond to those risks ?
- Can you bring in Team Members who understand :
 - The principles of food fraud and why it is important
 - The risks associated with the raw material, supply chain and processed product
 - Techniques of risk and vulnerability assessment
- Will there be technical and quality assurance aspects that need to be addressed
- Is there a need for purchasing input to address availability and price concerns
- Do production aspects, including goods receipt, need to be considered
- Are there gaps in knowledge or expertise that might need to be filled externally (eg. consultants)

Getting started:

- Be clear of project's aims and objectives and clearly communicate to all team members
- Bring together the necessary expertise from internal and external (as required) sources to create a team able to map supply chains and create an action plan
- Ensure you consider all aspects of the chain for vulnerability and co-opt relevant expertise

Key outcome:

Appropriately skilled and resourced team assembled



Step 2: Map your supply chain

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

Questions to consider:

- What is required to produce the product, e.g. ingredients, packaging, transport?
- Who are your immediate suppliers?
- Who supplies them? Think about suppliers. As a **minimum** this should consider harvesting, primary processing, manufacturing, **any** transportation (including shipments), intermediate storage
- Are there provenance claims? / can these be validated?
- 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 key resources for your business? (eg. tea for a tea manufacturer)
- What gives the product its value (e.g. any provenance claims?)
- What specific ingredient requirements do you have? (e.g. product certification schemes, origin or provenance?) Is there a clear chain of custody?
- On what basis do you buy the product? (e.g. direct & indirect buying / auctions / traders / brokers / intermediaries)
- Seasonality of supply?
- Complexity of supply chain?
- Diversity of supplier operations (ie. they may also supply / store other products that are classed as “at risk” from fraudulent activity). How do they manage this?

Getting started:

- Use expertise from both within your business and outside, such as THIE and other intelligence sharing networks such as Food and Drink Europe (FDE), to help gather relevant information
- Start by mapping major sources of supply (ie. those most critical to your business)
- Gather information from suppliers to identify those who are most at risk / vulnerable. This could be via questionnaire, supplier assurance, audit processes, verification and certification, other
- Consider formally mapping your product supply chains (create a process flow to clearly identify key steps / activities)

Key outcome:

You have clearly mapped and identified **all** of the key steps and activities in your whole product supply chain (including any exceptions)



Step 3: Identify potential impacts, risks & vulnerabilities

Understanding the key risks and vulnerabilities within your supply chains that could expose you to the risk of fraudulent and / or malicious activity

Questions to consider:

- Is there anything you are sourcing that is :
 - in short supply
 - in high demand
 - commands a price premium (eg. manuka honey)
- Have there been any changes in the products, processes or your supply chains ?
- Are your supplier approval, vendor assurance and audit systems fit for purpose (ie. do they ask the right questions and do you review them once completed)?
- What are the risks to your business, market presence and reputation ?
- Complete a vulnerability assessment to identify such risks
- If vulnerabilities are identified, is there an opportunity to do things differently (try to imagine the mindset of those who may seek to commit food fraud)?
- Is a supplier or potential supplier offering you a deal which seems ‘too good to be true’?
- Can you identify any other steps / stages in your supply chains that may pose a risk?

Getting started:

- Make sure you are aware of the main factors which may impact on your supply chains (eg. economic and seasonal variations)
- Identify resources that could be the target of fraudulent activity such as those with provenance claims or premium value items such as Darjeeling Tea
- Think about specific products and whether or not there is a history of authenticity issues (eg. saffron containing erroneous plant material)
- The potential benefit of using analysis / testing as a means of identify risks; including the likelihood of such testing identifying any issues. Things to consider:
 - Are routine tests available?
 - Are they fit for purpose / able to identify specific acts of food fraud?
 - Are these against accredited methods / will they give reliable results?
- Consider any potential risks and vulnerabilities within your contingency plans
- Gather information from **suppliers** regarding any risks identified in **their** supply chains and whether or not they have action plans in place to mitigate these
- Ensure your risk assessment considers information available from resources such as:
 - Tea & Herbal Infusions Europe and relevant member state trade associations
 - Food Drink Europe, including FDE Food Fraud fact sheets on food commodities
 - EU Rapid Alert System for Food and Feed (RASFF)
 - Codex Paper on the role of Codex Committee on Food Import and Export Inspection and Certification Schemes (CCFICS) in respect of tackling Food Fraud in the context of food safety and fairtrade practices in food
 - Food & Agriculture Organization (FAO) document on International and National Strategies to counter food fraud



- Ensure appropriate monitoring in place to identify supply chain risks and vulnerabilities

Key outcome:

You have clearly identified and evaluated **all** the key risks and vulnerabilities in your supply chain

STEP 4: Act on any potential risks and vulnerabilities identified within your supply chain

Analyse how your business can act on the findings in Stage 2 to mitigate any of the key risks identified

Questions to consider:

- What are the key risks you identified?
- What are the supply chains / products supplied associated with these risks?
- Have you evaluated these risks and prioritised them?
- Have you got clearly defined processes for identifying, measuring and subsequent management of any key risks identified (ie. a formal risk assessment)

Getting started:

- Ensure strong links between your procurement, regulatory, quality assurance and / or technical teams to help monitor and assess the key risks and potential opportunities for food fraud.
- Ensure you are using your supplier assurance and audit systems to help you effectively assess and prioritise supplier risk, to include outsourcing work to third parties.
- Utilise external information sources that may help to inform of risks factors you may not have considered (eg. THIE, RASFF Rapid Alerts)
- Based on all the information provided, conduct a formal risk assessment to prioritise the key risks and action required

Key outcome:

Clear understanding of relevant risks and vulnerabilities, including their likelihood and severity



STEP 5: Create a plan of action

Define a set of actions to reflect the risk of food fraud occurring and prioritise the opportunities to limit this from happening.

Questions to consider:

- How can the identified risks be mitigated?
- What measures are feasible in allowing the priority risks to be addressed?
- Who is responsible for delivering the different parts of the plan?
- How can you get support from senior management to ensure these actions are addressed and incorporated into the business strategy?
- How best can you involve your suppliers?
- What are your success criteria?
- Do your customers have any specific requirements?

Getting started:

- Consider the effectiveness of your supplier assurance systems in limiting opportunities for food fraud and mitigating the risk from authenticity issues (including prioritisation of supplier risks)
- Consider the role of authenticity testing by a laboratory (as applicable)
- Ensure your plan is effectively communicated and implemented internally
- Meet with suppliers regarding the risks you have prioritised and explain what you would like to achieve / what you require from them
- Consider using external expertise; especially where you need to address risks where you have no immediate solution or relevant experience

Key outcome:

An action plan based on key risks and opportunities designed to limit the potential for food fraud from happening



STEP 6: Implement, track, review and communicate

Ensure action is taken, 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 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 six steps as a cyclical process that need 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

Key outcome:

Fully implemented action plan integrated into the business

Help for small businesses

We advocate that **all** food business, no matter how big or small should follow each of the 5 steps provided in this guidance. However, should a small business feel it is not practical to do so, they should ensure that at least a basic assessment of their risks and vulnerabilities is completed. Some key questions to consider are as follows :

- 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?



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 or raw materials purchased and offered for sale, are of the nature, substance and quality expected
- **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 raw material, for financial gain, by increasing the apparent value or reducing the cost of its production
- **Food Safety**
Food Safety is a generic term for all measures and concepts to ensure that food is fit for consumption by the final consumer and it cannot cause any adverse health effects or harm. Article 14 of 178/2002 states that food shall not be placed on the market if it is unsafe. Food is deemed to be unsafe if it is injurious to health or unfit for human consumption
- **Global Food Safety Initiative (GFSI)**
Managed by the Consumer Goods Forum; a project to harmonise and benchmark international food safety standards (www.mygfsi.com)
- **Malicious Contamination**
Deliberate contamination of a product or raw material with the intention to cause damage to the company or brand owner
- **Provenance**
The origin or the source of food or raw materials
- **Raw Material**
Any base material or semi-finished material used by the organisation for the manufacture of a product. Raw materials include food ingredients, packaging materials, additives, processing aids etc
- **Risk Assessment**
The identification, evaluation and estimation of the levels of risk involved in a process to determine an appropriate control process
- **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