



WP3

Food donation scenarios

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Food donation

- **By redistributing unused or unsold food to those in need, food donation is an effective approach to reducing food waste while also addressing food poverty**
- **Recent years have seen growth in food bank networks in many EU countries**
- **However, food donated to charities still represents only a small fraction of edible surplus food in the EU**
- **Changes in policy could help boost donation activities**



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Key EU Policy relevant to food donation – food, hygiene and safety

- **General Food Law (Regulation (EC) No 178/2002)**
 - Lays out framework for EU food legislation
 - Includes food banks as « food business operators » with the responsibility for food safety and traceability during the operations under their control
- **Food hygiene and safety (Regulation (EC) No 852/2004)**
 - Main food hygiene legislation
 - Stipulates that primary responsibility for food safety rests with the food business operator (including food banks)



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Key EU Policy relevant to food donation – fiscal policy

- **VAT legislation (Council Directive 2006/112/EC)**
 - VAT has to be paid on food intended for donation
 - However, the taxable amount is the purchase price of the donated goods at the moment of the donation adjusted to the state of those goods at the time when the donation takes place
 - Substantial uncertainty in interpretation across MS → should commercial value of food nearing expiry date be close to zero?
 - If VAT is non-zero may be cheaper to discard food than to donate it



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Key EU Policy relevant to food donation – other policy

- **Financial support for donation**
 - Example: Fund for European Aid to the Most Deprived (FEAD) helps finance MS actions which provide free non-financial material assistance, including food, to needy populations
 - Example: EU funding for produce donations during crisis management
- **Diversion from landfill (Council Directive 1999/31/EC)**
 - Targets for reducing presence of biodegradable waste in landfill (65% reduction from 1995 to 2016)
 - Landfill taxes in some MS to help meet targets
 - Helps keep incentives aligned with food waste hierarchy



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Scenario 1: Business as usual

- **No change to existing policy**
- Levels of food donation remain variable across MS
- Food donation may continue to grow moderately (higher food waste generation, local / national efforts, times of economic hardship, ...)

PROS

- No additional policy development / implementation costs for EU / MS

CONS

- Food donation will not grow as much as it potentially could



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Scenario 2: Best case (1/2)

Scenario to maximise food donation by addressing key barriers and providing additional incentives

- EU-wide legislation to help **protect food donors from civil or criminal liability** (traceability system, Good Samaritan Law, ...)
- **VAT exemption** on donated food, or stipulation that donated food nearing its expiry date has a **commercial value of zero**
- **Financial incentives and funding** expanded to encourage donation of unused food
- Strengthened legislation to promote **diversion from landfill** (targets, landfill taxes)
- **Clarification of EU food hygiene and safety legislation** with respect to donation activities and responsibilities of retailers and food banks



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Scenario 2: Best case (2/2)

PROS

- Significant increase in food donation and reduction in food waste
- Social benefits (reduction in food poverty, jobs in redistribution, ...)
- Lower waste management costs
- Potential financial gains to stakeholders donating food (through financial / fiscal incentives and support)

CONS

- Substantial costs of developing or clarifying legislation, and related implementation across EU member states
- Financial incentives or funding would come out of EU or MS budgets
- Very strong incentives for donation may lead to reduced efforts to prevent food waste generation in the first place
- Low feasibility / high difficulty of passing entire package (e.g. debate with regard to Good Samaritan law)



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Scenario 3: Intermediate (1/2)

Focus on improving clarity of existing legislation, and on continuation and strengthening of current policy

- **Clarification of VAT policy:** clarifying that MS have right to assign either a zero non-zero value to donated products. May recommend value close to zero.
- **Clarification of food hygiene and safety legislation** (responsibilities of retailers and charities, right to donate food past its “best before” date, ...) → publication of dedicated guidelines relating to food donation activities
- Strengthening of **landfill legislation**
- Continued **financial incentives and support** for donation activities



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Scenario 3: Intermediate (2/2)

PROS

- Increase in food donation and reduction in food waste
- Significantly lower policy development costs than Best Case scenario
- Social benefits (reduction in food poverty, jobs in redistribution, ...)
- Lower waste management costs
- Potential financial gains to stakeholders donating food (through financial / fiscal incentives and support)

CONS

- Creation and dissemination of clarifications would incur some costs to EU / MS
- Financial incentives or funding would come out of EU or MS budgets



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Impact assessment matrix

Please help us to assess the impact of each scenario with respect to the following dimensions:

- Economic
- Social
- Environmental
- Feasibility / practicality of implementation

Please fill in the impact assessment matrix for each scenario.

THANK YOU!



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Overview of scenarios

Scenario	Overview
Business as usual	No significant changes in policy relevant to food donation with respect to the present day situation.
Best case	Development of a common EU framework to incentivise food donation by addressing key barriers such as liability and fiscal considerations, and providing additional incentives for donation.
Intermediate	Clarification of existing legislation, particularly with regards to hygiene, liability and VAT, as well as continued extension and strengthening of other current relevant policy.



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Questions & comments



Questions or comments?

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