

EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR HEALTH AND FOOD SAFETY

Food sustainability, international relations Farm to fork strategy

SUMMARY REPORT

EU PLATFORM ON FOOD LOSSES AND FOOD WASTE SUB-GROUP ON FOOD DONATION

DG HEALTH AND FOOD SAFETY (SANTE)

Hybrid

28 November 2023

<u>Co-Chairs (3):</u> Ms Anne-Laure Gassin, Ms Rikke Karlsson (DG SANTE) and Mr Matthew Foster (Les Restaurants du Coeur)

Commission (3): DG SANTE, AGRI, MARE

Member States represented (7): BG, DK, FR, HR, LU, PT, SI

<u>Private sector organisations (10)</u>: BOROUME, EuroCommerce, FEBA – European Food Banks Federation, FOODCLOUD, FOODSERVICEEUROPE, HFBA – Hungarian Food Bank Association, HOTREC - Hospitality Europe, TOO GOOD TO GO, WUWM – World Union of Wholesale Markets, Les Restaurants du Coeur

Public entities (1): FAO

Invited (2): Colruyt Group, METRO

Observer (1): NO

1. Welcome and adoption of the agenda

Les Restaurants du Coeur co-chair opened the meeting by introducing the agenda.

2. Presentation of the work of Les Restaurants du Coeur (PDF)

The co-chair of **Les Restaurants du Coeur** provided an overview of the activities of the charity organization, which distributes 35% of all food aid in France, serving over 170 million meals in 2023. The organisation also works on reintegrating people into society through over 100 centres, for example, by assisting with finding jobs, access to health, and providing language courses to asylum seekers.

On a question from the **Hungarian Food Bank Association (HFBA)** on the collaboration with the French Food Bank Federation, **Les Restaurants du Coeur** replied that there are four food bank associations in France working independent from each other and noted that the coordination needs to improve given the increase in need for food donations.

Denmark inquired about the cutbacks for food donations. **Les Restaurants du Coeur** replied that the cutbacks were due to the inflation, and with less money at hand, there has been a 30% increase in the number of people soliciting the help of food banks. Consequently, Les Restaurants du Coeur had to adjust its criteria for accepting people that request food aid.

FEBA referred to a decreasing amount of surplus food available, especially from the retail sector, and asked if Les Restaurants du Coeur has been trying to diversify its food sources. **Les Restaurants du Coeur** replied that it is looking at this issue, especially in respect to primary producers and it was developing food donation agreements with vegetable and fruit producers. One of the challenges highlighted by the organisation referred to repackaging large amounts of donated surplus foods into smaller portions.

3. Information on the ongoing assessment of barriers and opportunities for the redistribution of surplus food in the EU (\underline{PDF})

The **Commission** presented its preliminary findings from the assessment of barriers and opportunities in the redistribution of surplus food in the EU. The exercise aims to identify priority areas for action and whether regulatory or non-regulatory approaches should be followed, based on the replies of 18 EU Member States, Norway and 19 private sector organisations.

The **Commission** asked members whether the data from the food banks in the different Member States could be shared with national authorities. **HFBA** replied that the Hungarian food banks are pleased to share data and HFBA shares data with the Hungarian Statistical Office, which is conducting a yearly data collection about sustainability issues, including food surplus distribution. **Croatia** noted that sharing of data is necessary; when Croatia started its food donation activities, there were no official data on how much food was donated. In Croatia, charity organisations must provide information to the government on the amounts of food that has been distributed to them. **Les Restaurants du Coeur** indicated that in France retailers can deduct VAT from the amount of food donated; a recent French survey indicates that 15 to 20% of the total food donated to food banks is wasted because it is unfit for consumption. **FEBA** informed that it collects data at national, regional and local levels and many FEBA members publish annual reports describing their activities. FEBA noted that at European level the collection of data is more complex as there are other organisations than food banks that are participate in the recovery and redistribution of surplus food. FEBA expressed willingness to share their data with the Commission, as well as other institutions. FEBA further shares aggregated data with corporate

donors, namely, the total quantity of food received from each company. **Portugal** informed that it reports on the amount of food donations since 2022, as part of their annual reporting on national food waste levels.

The **Commission** further elaborated on trends and practices for food donation, for example on community fridges and food cupboards, and the use of food recycling cabinets running on solar energy. In the replies to the questionnaires, several barriers were identified for **primary producers**.

Several members took the floor to discuss the issue of food donations from the primary production sector. Les Restaurants du Coeur noted that surplus food reporting in primary production is a "black box" in France and there are presumably significant losses. The organisation established agreements with local producers, who donate vegetables that they are not able to sell in their shops, which allows producers to offset VAT for foods that otherwise would have been destroyed. Slovenia is attempting to encourage primary producers to donate food by offering a lump sum for farmers that would donate fruit, vegetables, and other foods to charity organisations. In Slovenia, there are no producer organisations under the Common Agriculture Policy or the Common Market Organisation, suggesting that producer organisations are well placed to engage and encourage primary producers to donate surplus food. FEBA mentioned that the recovery of surplus food from primary production was also discussed at its Annual Convention. FEBA stressed the importance of investing in technology to connect farmers and charities or other organisations who recover food. Technologies can be further leveraged to extend the shelf life of the donated produce.

FEBA referred to the findings from data collected from members in 2022, showing that food bank members in Belgium, France, Italy, Portugal and Spain received and then distributed 36,722 tons of fruit and vegetables that were withdrawn from the market. Producers' organisations and farmers can receive reimbursements for the products (as well as for transport and packaging) that they donate to food banks or other charities. This mechanism is already in place, and it is financed through the Common Agricultural Policy (the EU market withdrawal mechanism), however, it is not utilised in all Member States and further research is required to determine the barriers to using this mechanism.

France informed that French farmers could benefit from tax exemption, however, some farmers do not pay any tax. Therefore, a tax credit is needed, and the Ministry for Agriculture and Food is actively working with the Ministry of Finance to encourage farmers to make donations. France further stressed the importance of raising awareness among beneficiaries on the need to cook with raw produce through workshops. France noted that it is aware of a problem regarding the quality of donated food products and has implemented a number of measures to address them. France launched a national survey in 2021 to assess the implementation of these measures, optimising the organisation of inspections. Furthermore, France also introduced the obligation to set up a donation quality management plan (decree no. 2019-302 of April 11, 2019). The French anti-waste law for a circular economy – the AGEC law – broadened the scope of the donation quality management plan by introducing procedures for monitoring and controlling the quality of donations. Furthermore, the national "anti-food waste" label aims to promote quality donations, while considering logistical issues related to food donations.

The **Commission** further elaborated on food donation barriers in the **processing and manufacturing** sector, which were related to finding the partner organisations, lack of staff, transportation, ability to redistribute the food products to beneficiaries before the expiration date, and limited awareness of models for VAT relief. Opportunities are amongst others raising awareness through media campaigns and implementation of voluntary agreements.

Croatia pointed out that sometimes it is cheaper for food business operators to dispose of food waste rather than to donate it.

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The **Commission** noted the good practices in the **retail** sector such as written partnerships and agreements, which also increase the diversity of donated products. The **Commission** also noted a potential competition between food donation and biogas. Les Restaurants du Coeur worked on establishing agreements with hotels and restaurants, experiencing that operators prefer to send surplus fruit to biogas. The Commission further presented the identified barriers in the retail sector such as the nutritional aspecta of donated food (a large number of ultra-processed products), and the organization of donations in stores.

Les Restaurants du Coeur indicated that for French retailers there is a pressure to sell products rather than to donate them, which has led to a significant reduction of food being donated from retail outlets. **Independent Retail Europe** highlighted that the biggest issues that the retail sector currently faces are inflation and increasing energy prices, logistics, understaffing, and the collection of goods to be donated.

The **Commission** presented the barriers to food donation in the **food services and hospitality** sector and noted the need for a close cooperation between the donors in this sector and the receivers. Several challenges were highlighted, such as logistics and accessibility problems for collection vehicles in urban areas.

The **Commission** informed that it aims to share the preliminary findings on legal and administrative barriers at the next meeting of the subgroup in 2024 and encouraged subgroup members to present some of the barriers for food donation that they have identified.

4.1 Supporting food donation in Croatia through the National Plan for Recovery and Resilience by Croatian Ministry of Agriculture (PDF)

Croatia provided an overview of national data on food waste, barriers, challenges as well as activities to support food donation, including the food donation IT system, educational campaigns and the voluntary agreement against food waste under the auspice of the Ministry of Agriculture.

HFBA asked whether the food banks in Croatia are part of existing charity organisations or rather new legal entities and suggested to cooperate. **Croatia** thanked for the cooperation offer and informed that it is considering visiting some of the food banks, as they started their activities late in 2023. Croatia has developed an infrastructure of food banks and food donation intermediaries. Existing charity organisations in Croatia will take the role of food banks.

Denmark inquired about the food donation IT system and its functionalities. **Croatia** replied that the system aims to facilitate the redistribution of the donated food, allowing food business operators to register and offer their food surpluses. There are currently 300 registered donors.

4.2 New initiatives to recover surplus food from the HORECA Sector – presentation by HFBA (PDF)

HFBA provided an overview of their HORECA-related food donation activities, highlighting their challenges and opportunities. HFBA developed a new process for direct redistribution where food banks manage the process, connecting a charity organization with a store, an app to redistribute surplus food free of charge to recipients of HFBA partner charities as well as a mobile blast chiller solution. HFBA further established a partnership with the Munch discount platform that connects donors with receivers.

4.3 Food donation in European wholesale markets – presentation by the World Union of Wholesale Markets (WUWM) (PDF)

WUWM presented food donation activities implemented in wholesale markets and the survey results of their members' food donation initiatives in 2023.

Les Restaurants du Coeur asked if WUWM attempted to coordinate solutions adopted by its members and about the drivers for members to donate. **WUWM** confirmed the planned coordination and the development of food donation guidelines. WUWM informed that legislation is a driver as well as dedicated programmes to engage members.

4.4 Retail food donation initiatives – "a practical testimony" by Colruyt Group (PDF)

The **Colruyt Group** provided an overview of their food donation activities in the retail sector. Colruyt Group assists food banks with the donation of surplus food and provides equipment (for example, eutectic plates and freezers). Colruyt collaborates with the Belgian NGO and redistribution organisation Foodsavers, amongst others.

HFBA asked if specific technology is used to connect the stores with charity organisations or food banks. **Colruyt Group** replied that this technology is embedded in the system. For example, when a product is taken off the shelf, it is scanned and labelled as "donation" and stored in donation boxes before being picked up.

FEBA inquired if Colruyt Group has noticed any trends within the last 20 years of donating surplus food and whether the quantities of donated food are increasing or decreasing. **Colruyt Group** replied that the amounts of surplus food donations are increasing.

The **Commission** asked how Colruyt Group manages an increasing competition between the destinations of food surplus. **Colruyt Group** replied that it prioritizes food donations over other destinations (such as animal feed or biogas), as part of the company's values.

On a question from **France** concerning VAT, **Colruyt Group** replied that since 2015 there has not been an obligation to pay VAT on donated food in Belgium.

5. Findings from a company survey on food donation practices – presentation by METRO (PDF)

METRO presented its findings from an internal company survey on food donation practices in 14 Member States, which identified challenges with logistics and legal obstacles. METRO recommended that VAT rules should not hinder food donations, highlighting the need to raise awareness on date marking rules and to introduce legal and financial incentives.

France indicated that it is legally possible to distribute products that have passed their "best before" date, and this can be particularly sensitive for products such as formula milk (for infants). **METRO** noted from the replies that in the Netherlands, Slovakia and Czechia it is possible to donate products beyond their "best before" dates.

HFBA mentioned that certain countries still have VAT on donations. The **Commission** referred to the EU Guidelines for food donation published in 2017, which includes a chapter on VAT. The Commission highlighted that the VAT committee, bringing together financial experts from Member States, agreed on this guidance on VAT to facilitate the process of food donation in all Member States. Taxation is a competence of Member States and there are some differences among countries. HFBA also mentioned that some volunteers

consider the "best before" date as an expiry date and that they are therefore reluctant to redistribute products that have passed this date.

EuroCommerce supported that VAT should not hinder food donation in implementing supporting fiscal incentives at national levels, as VAT exemptions and deductions could significantly facilitate food donations. The **Commission** confirmed that there are Member States that have implemented VAT exemptions. Furthermore, corporate tax credits and deductions have been implemented in Spain, Portugal and France.

6. Carbon Credits: what are they and can they work for Food Banks? - presentation by the HFBA (PDF)

HFBA presented the voluntary carbon market and how food banks could calculate and report on their carbon impacts using the international Verra standard or other methods.

7. Amendments of the EU Marketing Standards on Fruit and Vegetables and possibilities for food donation – presentation by the Commission (<u>PDF</u>)

DG AGRI presented the changes in the revised regulation on marketing standards for fruits and vegetables regulation and the expected impacts on food losses and food waste. The revised regulation extends the existing exemptions for several types of products from compliance with the basic general marketing standard ("sound, fair and of marketable quality and indication of country of origin"). The revision also exempts products intended for donation from complying with any of the 11 specific marketing standards and removes the requirement for bananas to be presented in hands or clusters of at least four fingers. For all products intended for donation, the indication "intended for donation" will be mandatory as of 23 November 2023.

8. Donation of surplus fish directly from landing – presentation by FEBA (PDF)

FEBA presented the main findings of <u>research</u> conducted by the Italian food bank on possibilities to donate surplus fish directly from landing. The report highlights several issues, namely: overfishing, unwanted catches and discards, and illegal unreported, and unregulated fishing.

DG MARE informed that the <u>EU guidelines on food donation</u> include a specific chapter on the organization of the common market for fisheries (CMO legislation), and the possibilities for donation of fish directly from landing. Regarding the landing obligations, all catches of species that are subject to quotas or catch limits should be landed and they are in theory available for donation if the fish are fit for consumption, except if the fish are below the minimum size limits.

Colruyt Group asked if there is a prohibition on the donation of oysters and other shellfish. **DG MARE** replied that there is no prohibition in the CMO legislation except for those which are landed below the minimum size limits (for particular species).

On a question from **Les Restaurants du Coeur, DG MARE** confirmed that confiscated illegally caught fish that are fit for consumption can be donated unless prohibited by national measures.

9. Conclusions and wrap up

Les Restaurants du Coeur co-chair and the Commission co-chair thanked the participants for their contributions and discussions.