



# SUPPLY CHAIN CONTRACT & SUSTAINABLE INITIATIVES: a synergic approach to combat food waste

14th October, 2024



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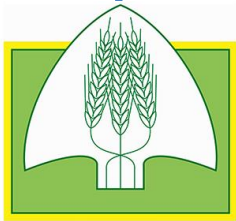
***i. Supply chain contract***

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## INTRODUCTION TO THE ORGANIZATIONS AND THE INTEGRATED MODEL



**COLDIRETTI**

With its 1,6 million members, Coldiretti is the largest farmer Organization in Italy and in Europe.

Coldiretti has expanded its representation from individual businesses to cooperatives, from traditional agriculture to the entire agrifood supply chain with **Filiera Italia** and **Campagna Amica**, with the aim of fostering agri-food sectoral policies that contribute to:

- ❖ *Increase the competitiveness of agricultural companies and the entire agrifood value chain*
- ❖ *protect territories, environment and citizens through virtuous behavior and practices to converge on objectives of high social sensitivity.*

[www.coldiretti.it](http://www.coldiretti.it)



Filiera Italia is the **nationwide integration association** of Italian agri-food value chain that brings, together with agricultural production represented by Coldiretti, over one hundred of the leading Italian agrifood companies, some of the major retailers and important partners connected to the national agrifood system. Born 6 years ago, Filiera Italia represents the tool capable of **creating the conditions for long-lasting trade agreements along the supply chains through the implementation of "supply chain contracts"**.

<https://www.filieraitalia.it/>



Campagna Amica (CA) supports Italian agriculture in three main areas: direct sales, tourism and eco-sustainability with more than 15.000 farmers and 1.200 markets. It creates synergies to **develop short food-chains and combat food waste while strengthening relationships with citizen-consumers and raise their awareness of conscious consumption issues**. CA also operates worldly through the WorldFMC, which represents 60 organizations established in 40 different Countries and 20 000 markets.

<https://www.worldfarmersmarketscoalition.org>

<https://www.campagnamica.it/>

# FOOD WASTE: THE PROBLEM DIMENSION



**1/3**

“of **all food produced in the world** is **lost or wasted** at some stage in the **food supply chain.**”

## ANNUAL “FOOD WASTE”

**59**

**MLN OF TONS**



**130**

**KG PRO-CAPITA**



**25,7%**

average of primary production and processing

**8,2**

**MLN OF TONS**



**140**

**KG PRO-CAPITA\***



**13,9%**

primary production and processing

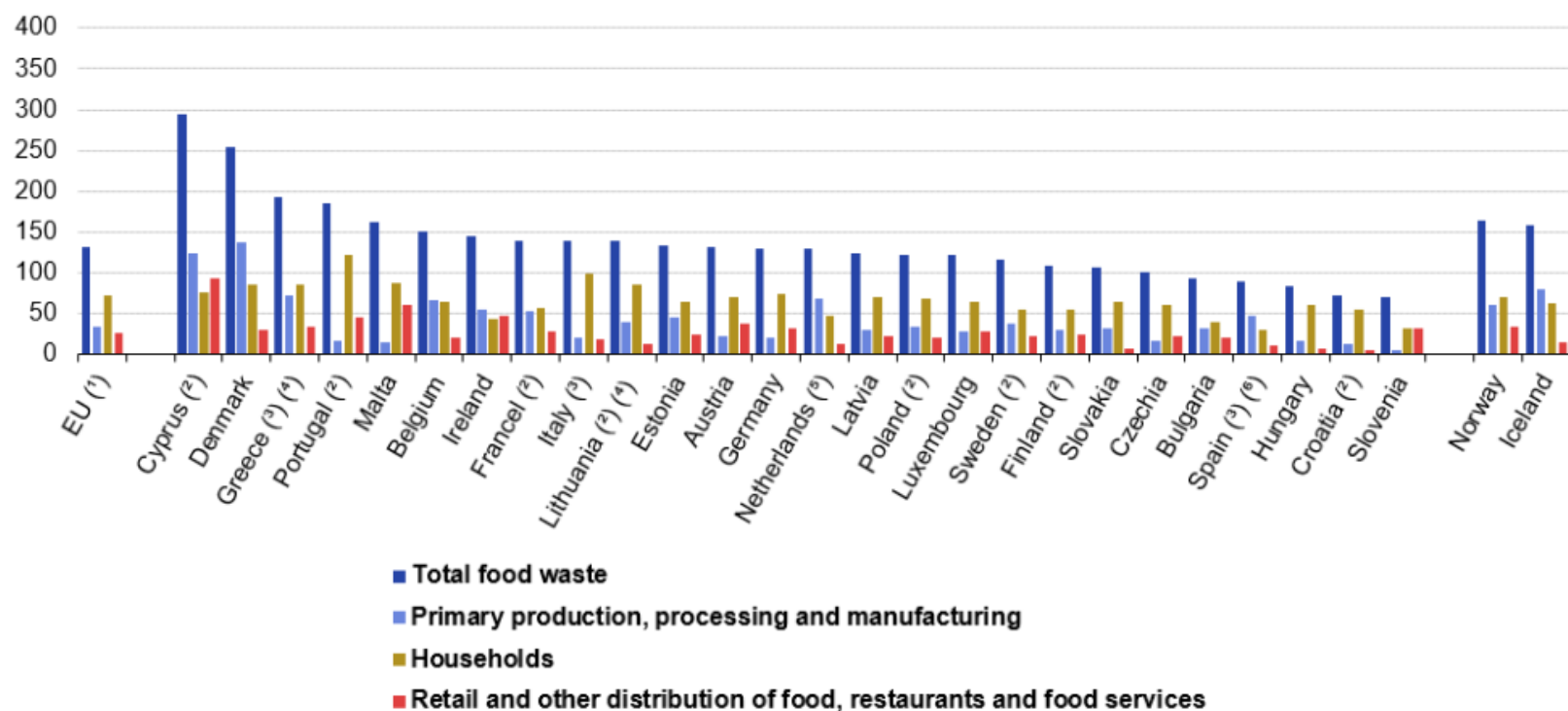


# FOOD WASTE AMONG EU MEMBER STATES AT DIFFERENT STAGES OF FOOD SUPPLY CHAIN



**Food waste by sector of activities, 2022**

(kg per inhabitant)



(1) Estimated data.

(2) Estimates in some figures.

(3) Definition differs or estimates in some figures.

(4) 2022 data not reported, 2021 data presented.

(5) Definition differs in some figures.

(6) 2021 and 2022 data not reported, 2020 data presented.

Source: Eurostat (online data code: env\_wasfw)

## COMBATING FOOD WASTE ACROSS SUPPLY CHAIN

*The importance of promoting virtuous and integrated supply chains*



*True sustainability is possible only if there is **food value chain integration** that starts with a **fair bargaining**.*

***Agrifood contractualization** is **central** to regulate not only economic relations, but also social, environmental and ethical issues.*



## Supply chain contract



«contract between the Ministry and the beneficiary entities that have signed a supply chain agreement, aimed at the implementation of an **integrated program** of an interprofessional nature and having national relevance **that, starting from agricultural production, is developed in the various stages of the food supply chain** in a multi-regional territorial scope».\*

A concrete response to:

- ❖ Foster the **competitive consolidation of the agrifood supply chain** in all its forms.
- ❖ Guarantee agricultural production **through a long-term commitment able to place the product annually at processing and distribution level, with transparent price formation.**
- ❖ Enhance **farmers' profitability** to create **better market relations** and ensure positive impacts on the entire supply chain - starting with agriculture.
- ❖ Give value to the agrifood raw material and final product, ensuring **high quality standards and traceability.**
- ❖ Promote **innovative technologies** for agricultural and food processing companies.
- ❖ Stimulate the **development of processes of re-organization** across different actors in the supply chain.

# Illustrative example of good experiences fostered by Supply chain contract

## The effects on Circular economy Initiatives



### ZERO WASTE

100% of tomato seeds and peels for the production of Biogas and livestock products.

### SHORT SUPPLY CHAIN

reduced environmental impact with less transport; lower losses in the initial stages of the chain; higher product quality (freshness).



### BY-PRODUCT VALORIZATION

Biogas plants fueled by biomass from processing of agricultural waste.

### 7.000 ANNUAL TONS OF COMPOST

produced from processing waste and recovery in agriculture as organic fertilisers.

Production planning for four years (+ four)

Fair remuneration and reward payments

Guarantee of product placement and reduction of waste

Product traceability

Ethical and social sustainability

Reduction of emissions



# Illustrative example of good experiences fostered by Supply chain contract

## The effects on Circular Economy Initiatives



### USE OF GPS & PRECISION FARMING

in farming and breeding, for tailor made use of input on hectare

**BIOMETHANE PLANTS** directly placed into the system for reducing the impact of the entire production activity

**SUPPLY CHAIN INNOVATION** with a focus on shelf-life extension

Fair remuneration and reward payments

Guarantee of product placement and reduction of waste

Product traceability



**0 WASTE:** all waste generated is destined for recovery practices and through composting and anaerobic digestion treatment.

### SHORT SUPPLY CHAIN

**BIODIVERSITY CONSERVATION** of cultivars that are endangered.

Ethical and social sustainability

Reduction of emissions


## Illustrative example of good experiences fostered by Supply chain contract

### *The effects on Fair trading practices*



#### ***The causes of food waste in business relationships:***

- ❖ **Absence of written contracts.**
- ❖ **Unilateral modification**, after the conclusion of the contract, of agreed terms and conditions.
- ❖ **Cancellation of orders** on short notice.

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- ❖ **Fair trade through integrated supply chains can help to prevent overproduction, over production costs and food waste.**
  - ❖ The Italian law against UTPs, recognizes supply chain contracts and multi-year food chain agreements as good business practices, all of which have in common:
    - ❖ quantity production planning to reduce waste,
    - ❖ product allocation,
    - ❖ guarantee of fair remuneration.

## CONCLUSIONS



### ACTION MUST BE TAKEN ON SEVERAL FRONTLINES:

- ❖ Operating through **supply chain policies** and **as coordinated as possible** in combating food waste.
- ❖ Ensuring **proper contracting across agrifood value chain**, which **is central for all actors** to combat food waste.
- ❖ Promoting the development of **short supply chains** and **direct sales**.
- ❖ Fostering **innovation from field to table**.
- ❖ Increasing **awareness on the food dimension** from production to consumption.
- ❖ **Remedying the heterogeneity of data and definitions** related to food waste.





**THANK YOU  
FOR THE ATTENTION**



**FILIERA  
ITALIA**  
COLTIVARE E PRODURRE  
ECCELLENZE ALIMENTARI

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