

EUROPEAN COMMISSION DIRECTORATE-GENERAL FOR HEALTH AND FOOD SAFETY

Food sustainability, international relations Farm to fork strategy

SUMMARY REPORT

JOINT MEETING OF THE FOOD DONATION SUB-GROUP OF THE EU PLATFORM ON FOOD LOSSES AND FOOD WASTE (FLW) AND THE EU WORKING GROUP OF THE EUROPEAN FOOD BANKS FEDERATION (FEBA)

DG HEALTH AND FOOD SAFETY (SANTE) AND FEBA

On-site in Brussels, on-line via Webex

7-8 November 2022

<u>Co-Chairs:</u> Ms Anne-Laure Gassin, DG SANTE and Ms Angela Frigo, European Food Banks Federation (FEBA)

Commission (2): DG AGRI, SANTE

Member States represented (9): BE, BG, DK, HU, IT, LU, PT, RO, SI

Private sector organisations (7): BOROUME, EuroCommerce, FEBA - European Food Banks Federation, FOODCLOUD, FoodServiceEurope, HFBA - Hungarian Food Bank Association, LAST MINUTE MARKET, LES RESTAURANTS DU CŒUR

Public entities (2): FAO, OECD

Invited (8): Bulgarian Food Bank, Czech Federation of Food Banks '<u>Česká Federace Potravinových Bank</u>', Estonian Food Bank 'Toidupank', French Food Banks Federation '<u>Fédération Française des Banques</u> <u>Alimentaires</u>, Food Bank Greece, Italian Food Bank 'Fondazione Banco Alimentare ONLUS', Lithuanian Food Bank 'Maisto bankas', Romanian food bank '<u>Federația Băncilor pentru Alimente din România</u>' <u>Observers</u>: NO

Study visit on 7 November, Bruxelles-Brabant Food Bank, 16:00 - 17:30

FEBA organised a study visit to the Banque Alimentaire Bruxelles-Brabant to show how Belgian food banks use the new possibility in the hygiene legislation allowing freezing meat at retail under certain conditions. The Belgian Federation of Food Banks <u>presented</u> an overview of food banks and their activities in Belgium, which was followed by a <u>presentation</u> by the Belgian Federal Agency for the Safety of the Food Chain (AFSCA) on provisions¹ applying to food banks and charities, focusing on the recovery and redistribution of frozen food products, in particular meat. Following the presentations, participants discussed amongst others the impact of inflation on the number of food bank beneficiaries, donations from primary producers, and the possibility to freeze meat at retail for food donation. The study visit ended with a tour of the redistribution warehouse including the freezing facilities.

¹ <u>https://ec.europa.eu/food/safety/food_waste/eu-food-loss-waste-prevention-hub/attachment/download/590</u>

Meeting on 8 November, Albert Borschette Conference Centre, room 2C, 10:00 – 16:00

1. Introduction

The Commission co-chair started the meeting by thanking FEBA for organising the study visit and for cochairing the sub-group in 2022. The Commission informed that Les Restaurants du Coeur will take over the co-chair role in 2023 and introduced the agenda of the meeting. The FEBA co-chair provided an overview of the study visit to all members and summarised the work carried out by the sub-group so far, referring to the **upcoming work to assess the current challenges and opportunities for food donation practices and policies across the EU**. To understand the extent to which the EU guidelines on food donation are applied throughout the EU, a questionnaire will be sent to both Platform and FEBA members. Following a gap analysis, recommendations could be drawn (both at national and EU-levels) to address any barriers and identify opportunities to further facilitate food redistribution. This exercise will build on the overview and analysis of the regulatory and policy measures impacting food redistribution in the EU Member States carried out in 2018-2020². The aim is to finalise this new assessment in 2023.

2. Current landscape of food redistribution across Europe, introduction by Angela Frigo, Secretary General, FEBA and presentations of national authorities and food banks from Italy, Estonia, Hungary and Czech Republic

FEBA introduced the agenda point and asked speakers to give an overview of the current landscape of food redistribution in their countries, providing the perspective of national authorities and/or food banks on the challenges, barriers, new trends and operational models for food donation, stakeholder platforms, financing sources as well as new legislative and policy developments and their related impacts.

2.1 National legislative developments regarding food donation and the impacts on Banco Alimentare's activity by Greta Caglioti, Banco Alimentare (PDF)

The speaker introduced the Gadda law (2016), which lays down provisions concerning the donation and redistribution of food and pharmaceutical products for social purposes and the reduction of food waste. Banco Alimentare observed a qualitative and quantitative increase in the food surplus recovered and a diversification of types of donors (e.g. catering industry, cruises etc.) since introduction of this law.

Based on data presented, the **Commission** inquired about the reasons for the decline in surplus foods coming from fruit and vegetables withdrawals and the significant increase in food donations from the catering sector. **Banco Alimentare** replied that donations of fruit and vegetables depend on the season and their availability on the market. While the food industry is a stable source of donations, the amounts donated from the catering sector are usually small quantities but consist of highly nutritious foods. The Italian food bank registered an increased recovery of surplus food from the distribution sector from 2016 onwards, due to the changing landscape, with more small and medium-sized stores than large ones. Banco Alimentare is focusing on urban food redistribution, citing the example of Milan where the food bank works with public authorities and where a local food redistribution hub facilitates the recovery of small amounts of food for use by charitable organisations nearby.

Denmark and **HFBA** inquired if any traceability issues had arisen in Italy due to food recalls and withdrawals, as under the Gadda Law charity organisations have the status as final consumers. FEBA clarified that redistribution organisations are considered food business operators and are subject to the same food hygiene rules, including provisions on traceability; their status as final consumers only applies as regards liability.

² European Commission, <u>Food redistribution in the EU</u>: Mapping and analysis of existing regulatory and policy measures impacting food redistribution from EU Member States, June 2020.

Maisto bankas pointed out that, in Lithuania, a legislative proposal introducing the obligation to donate food was declared unconstitutional. The food bank sought clarifications on the connection between the significant increase in food surplus recovered observed in 2018-2019 (+57%) and the Gadda Law. Banco Alimentare explained that food donation in Italy is voluntary and that the law simply clarifies aspects of liability, which facilitates donations. FEBA explained that the added value of the Gadda Law is that it systematises, updates, and simplifies existing food redistribution provisions into a single regulatory framework, while involving relevant stakeholders across the food supply chain in a national forum for discussion. **Boroume** pointed out that Greece examined the option of introducing a legal obligation for food donation at national level and found it would only be possible to introduce the requirement that food saving and redistribution programmes across Greece and considers it more effective to incentivise food donation rather than make it mandatory.

2.2 Assistance to the most deprived in Italy – National and EU funds by Matteo Rastelli, Italian agricultural payments agency (AGEA) (PDF)

Italy took the floor to present two funding programmes that provide support, including food, to the most deprived persons in Italy: EU funding (Fund for European Aid to the Most Deprived – FEAD) and national funding (Fondo Nazionale Indigenti). Italy presented an overview of the main national authorities involved in these programmes as well as stakeholders engaged in redistributing products to end beneficiaries. The speaker also referred to several national projects related to the recovery of food surplus, financed by the Italian Ministry of Agriculture, which provides funding for innovative solutions through open calls for projects (further information <u>here</u>).

Maisto bankas asked for more details on how food waste monitoring works in Italy and whether food losses at farm level were also considered. The Commission outlined the food waste measurement and reporting obligations for Member States, defined at EU level, and referred to the results of the first EU-wide monitoring <u>published</u> on 25 October 2022 by Eurostat. In addition, Member States can choose to report on amounts of food redistributed, on a voluntary basis. While Eurostat provides guidance on measurement and reporting, it is up to Member States to decide which approaches they choose. **Italy** informed that the Ministry of Agriculture collaborates with the Italian Statistics Office, which reports national food waste data to Eurostat. **FEBA** also collects data from its members on the quantity and quality of food that is recovered and redistributed across Europe and, in 2020, FEBA has started a new project, through a grant co-funded by the European Commission, to set up an online platform where members can upload data on their activities.

2.3 Food redistribution in Estonia by Piet Boerefijn, Toidupank (PDF)

The speaker presented an overview of the food redistribution system in Estonia and the activities carried out by the Estonian food bank. Since 2019, the Estonian Ministry of Social Affairs has allowed the use of 10% of the FEAD budget for the costs of collection, transport and distribution of donated food. The food bank reported that this programme is quite effective, as more food can be recovered and redistributed to people in need, with limited administrative procedures involved. Since 2021, the allocated FEAD budget for the costs of collection, transport and distribution of donated food has increased (there is no minimum or maximum limit), leading to increased support for rescuing surplus and donated food and making more food available for people who need it.

The **Commission** drew attention to the use of the FEAD fund by Estonia to facilitate recovery of surplus food and its redistribution to people in need, which could serve as an example for others, and also inquired about the criteria utilised in selecting food groups for food donation packages (i.e. three different food groups/per package). **Toidupank** explained that bread, fruits, and vegetables are usually available to which food banks try to add dry and canned food; nonetheless respecting these criteria can be challenging in remote areas of Estonia.

Slovenia inquired about the possibility of using the FEAD budget for transportation and storage costs (e.g. fuel, electricity etc.). **Toidupank** confirmed that each country can decide on how to distribute their FEAD budget, and this can be adjusted according to needs. **FEBA** added that FEAD funds can be used to cover personnel, warehouse and transportation costs as well as other expenses related to the recovery and redistribution of surplus food. FEBA referred to a <u>Commission study</u>, which aimed to identify simplified cost options that can be used by Member States to implement this opportunity. **Maisto bankas** pointed out that the study did not reflect the actual costs of redistribution activities and suggested countries should calculate the distribution of their FEAD funds according to the true food redistribution costs on-the-ground.

2.4 Hungarian Food Bank Association by Balázs Cseh, HFBA (PDF)

The Hungarian Food Bank Association presented an overview of the food redistribution system in Hungary and the activities carried out by the food bank. HFBA reported a decrease in the surplus food donated for 2020 and 2021, as partner food businesses improved their forecasting and logistical processes. While retail/direct distribution is still a growing segment for donors, the latter are mainly large companies, not SMEs; smaller quantities of surplus food are also donated by the food services and hospitality sector. HFBA sees a potential in increasing donations from the HORECA sector, and in cooperation with the Hungarian food safety authority, a guideline has been established, covering food safety aspects. The HFBA has also obtained a mobile blast chiller to be used when receiving surplus food from bigger catering events. HFBA has tried to recover surplus fruit and vegetables from a wholesale market as well as gleaning, however the latter did not deliver sufficient results. HFBA reported on an update of the national law in Hungary ('Food Chain Law') in 2021, which established a new national authority in 2022 (not yet fully operational): the Food Saving Centre (FSC), which coordinates contacts between donors and charitable organisations. Retailers with a yearly turnover over 100 billion HUF are obliged to provide 'best before' date-labelled products for donation to the FSC with at least 48 hours shelf-life remaining.

Italy asked about the legal status of the FSC, to which **HFBA** replied that this is a legal entity under the Food Safety Authority, which in turn reports to the Ministry of Agriculture. While the operating rules of the authority are still under preparation, the FSC will have more of a coordination role, rather than manage the logistical aspects of food redistribution.

Toidupank inquired about the donation of products with a 'use by' date. **HFBA** clarified that such products can be donated on a voluntary basis and that the legal obligation to donate foods before their 'best before' does not extend to fruit and vegetables, bakery and other types of fresh products, nor to other sectors of the food supply chain (e.g. primary production and manufacturing). In Hungary, the donation of food items past their 'best before' date was allowed in 2021 and the Hungarian Food Safety Authority has prepared guidelines for consumers on how long past the 'best before' dates different type of products can be consumed. HFBA highlighted that the issue with donating 'use by' products is that not all consumers are aware of the difference between the 'use by' and 'best before' dates.

2.5 Food banks in Czech Republic by Veronika Láchová, Česká Federace Potravinových Bank (PDF) The speaker presented an overview of the food redistribution system in the Czech Republic and the activities carried out by the food bank. According to Czech legislation, food business operators with a sales area of more than 400m² are obliged to donate surplus food products since 2018. Donations are VAT-free for charities and donors benefit from tax discounts. The Czech Ministry of Agriculture is a major funding source for food banks' operations, while the Ministry of Environment funds the purchase and renovation of redistribution warehouses and transportation vehicles through the European Regional Development Fund and Cohesion Fund. As for future steps, these include cooperation with the Ministry of Social affairs to establish a network of distribution centres, overcoming legislative obstacles for the recovery and redistribution of cooked meals, and increasing donations from primary producers, amongst others. Following a question from Italy on the funds available to improve the logistical capacity of food banks, Česká Federace Potravinových Bank explained that an amount of 7.5 million EUR was made available from EU cohesion funds to buy and/or reconstruct warehouses and purchase transportation vehicles for food redistribution (8 new warehouses and 5-7 vehicles have been purchased with these funds).

Denmark asked if the obligation for larger retailers to donate food set minimum requirements (e.g., amounts of food). The food bank replied that there are no such requirements; moreover, all donated foods should be suitable for human consumption and food banks are obliged to accept it.

3. Open discussion with all participants on the current food redistribution landscape

Following a short coffee break, members discussed the challenges and opportunities to food donation, building on the information provided by the speakers.

Les Restaurants du Coeur presented more details about food donation and their operations and in France. Most of the foods redistributed by the organisation are donated by citizens through annual food collection campaigns run in supermarkets and by companies – mostly products close to their 'best before' dates, while the rest come from direct purchases by the organisation or through FEAD funds (22%). The organisation reported that donations from local supermarkets are decreasing by 50% as retailers are selling more products close to the 'best before' dates on discount, while donations from manufacturers and industrial platforms are increasing. The latter often pose logistical challenges (e.g., food come in large quantities, or some products need freezing or washing). The Commission acknowledged that the food donation landscape is changing and reiterated the role of the sub-group in discussing the challenges and opportunities for food redistribution in the EU. In reply to the Commission's question on donations from primary producers, Les Restaurants du Coeur explained that they are currently exploring this potential new source of surplus food.

FEBA asked its members about their main concerns and perceived risks related to food donation. One challenge of food banks is the decrease in donated food quantities, with variations across countries. For example, in Italy, donations from the retail sector have increased, while in Hungary and the Czech Republic, donations have decreased as retailers prefer to sell foods at a reduced price or through mobile redistribution applications, rather than donate them to redistribution organisations (this practice was also noted by **Toidupank**). The Estonian food bank suggested that only a limited amount of surplus food is donated by retailers and that further cooperation is needed between NGOs, academia, public authorities and actors across the supply chain to find solutions to increase quantities of food redistributed, identifying the national Dutch pact as a best practice example.

The **Food Bank Greece** reported that, in Greece, while waiting for further clarification on a new law on food waste, the food bank encounters contradictory interpretations of food safety provisions from regional food safety offices and authorities at different levels, and that this creates barriers to food donation. The **Commission** inquired about the possible existence of a national network or a roundtable to consult with stakeholders involved in food redistribution, similar to the Italian National Advisory Round Table. While Boroume established a network of stakeholders together with the Ministries of Environment and Agriculture in 2019, the food bank explained that its work was impeded by the COVID-19 pandemic and suggested that the initiative would have gained more traction if spearheaded by national authorities. **Boroume** highlighted that challenges differ according to the stage of the supply chain and that connecting donors directly to charities allows to recover food from all stages of the food supply chain (Boroume identifies the most appropriate recipient of the food based on proximity and available products). In Greece, more retailers are joining the national network. Challenges arise from redistributing cooked food from food services. Boroume runs two programmes for recovering food from the primary production sector, where volunteers harvest surplus from farms or recover it from farmers' markets.

Slovenia has an alliance club at national level, which organizes the redistribution of donated food. The Ministry of Agriculture co-finances the purchase of equipment for food redistribution (within 50.000 EUR each year), but costs related to daily operations are handled by the redistribution organisations. Donations come mostly from the retail sector, while the food services sector is not a donor. The country is currently considering a measure to reward farmers who donate fresh produce to charity. In Slovenia, donors benefit from tax relief: the own price or purchase price of donated food is equal to 0 if the total value of donated goods does not exceed 2% of the donor's revenue.

HFBA pointed out that while some countries focus on non-legislative measures (Voluntary Agreements, pacts, and discussion forums), others prefer setting legal obligations to donate, which impact the relationship between the private sector and public authorities. HFBA would like to understand the pros and cons of both approaches. The **Commission** indicated a further possibility of a hybrid approach as there are countries which adopt both legislative and non-legislative measures to facilitate food redistribution. The Commission also inquired whether partnerships between food banks and food services exist, for example where restaurants could allow the use of their facilities by food banks, when not in use. **FoodCloud** pointed out that such partnerships were considered in Ireland, but it was not feasible in the end to share a common space for storage of both surplus foods and restaurant food stocks due to food safety considerations.

Maisto bankas questioned the monitoring of food waste levels in Lithuania and noted that the energy sector buys surplus food from supermarkets to produce biogas, thus competing with charity organisations who would have redistributed such food to people in need. The Commission referred to the EU-wide obligation for Member States to quantify and report on food waste generated at each stage of the food supply chain and the need for them to apply the waste prevention hierarchy, as foreseen in the Waste Framework Directive (i.e., prioritising food redistribution for human consumption before any other uses).

In terms of **traceability management**, **FoodCloud** is using an e-warehouse management system to record receipt and dispatch of food products; **Les Restaurants du Coeur** is tracking large scale donations for possible recalls and withdrawals; while **Maisto bankas** uses the documents received from donors to track the foods. Les Restaurants du Coeur reported that the lack of knowledge of the quantity and type of food products to be collected poses a challenge for the organisation, also in terms of traceability.

In terms of liability, **Boroume** explained that it has established a contract defining property and liability aspects, signed by receiving charities. **Toidupank** noted that charities often lack the required equipment to redistribute foods (e.g. cold storage rooms, vehicles with cooling equipment). **Maisto bankas** reported that public authorities in Lithuania are working on a law to further facilitate food redistribution (set for the 1st quarter of 2023) and are working on employing the European Social Fund Plus (ESF+) for food donation activities.

Regarding hygiene and food safety aspects, **FoodCloud** explained that some requirements might create barriers to recovering surplus food and redistributing it to people in need; **Les Restaurants du Coeur** noted that they face challenges in securing facilities where food products can be divided into smaller portions (e.g. a full animal carcass). Hygiene provisions might also pose challenges in terms of transportation, as all foods are collected in one van, while chilled foodstuffs require ice boxes or refrigerated vans.

On fiscal rules and incentives, **Toidupank** pointed out that while many EU countries have tax incentives to motivate food business operators to donate food, sometimes food banks do not have the resources to handle food donations (e.g. sorting, packing, storing etc.).

4. Conclusions

FEBA thanked participants for a fruitful discussion and for sharing examples from their countries. As food redistribution depends on each national context and food supply chain as well as unpredictable external

factors, it is important to understand the impacts of different approaches taken by countries, also in order to avoid that food donation competes with other uses for biomass (e.g., using surplus food for biogas production). FEBA noted that the food donation landscape is evolving and that food banks are adapting by developing new activities such as freezing food, using technology and mobile applications.

The **Commission** highlighted that food safety standards have to be respected by all food business operators (both companies and redistribution organisations) and invited members to share their views on any obstacles encountered in this regard. The Commission suggested that identifying case studies to illustrate the possible competing uses for surplus food/biomass would be useful (e.g. redistribution for human consumption vs. biogas production). The Commission encouraged members to share information about their experience with funding instruments, tax benefits and other incentives for food donation.

The Commission outlined the next steps for the Food donation sub-group:

- DG SANTE will send out the survey to collect information on barriers and opportunities for food redistribution to all Platform members. Based on information collected from members, a document summarizing these barriers and opportunities, including recommendations to further improve and facilitate food redistribution, will be published in 2023;
- Member States will be asked to update the <u>document</u> with examples of food redistribution practices across EU (2019);
- The next meeting of the Food donation the sub-group will take place in Q2 2023, where an overview of the contributions received will be presented.