AUDITING FOOD WASTE

How to improve the resource-efficiency of the food supply chain

Presentation by Robert Markus
European Court of Auditors
Why an audit on food waste?

ECA Special Report No 34/2016 - Combating Food Waste: an opportunity for the EU to improve the resource-efficiency of the food supply chain

- **Food waste has high economic and environmental costs**

  *FAO estimates of global costs/year:*
  - economic costs of 1 trillion USD;
  - environmental costs of 700 billion USD;

- **Food waste is a global problem**
  - around one third of the food produced for human consumption is wasted or lost
  - around 88 million tonnes of food are wasted annually in the EU
Why an audit on food waste?

- **Food waste occurs all along the food supply chain**

  **Production** (including post-harvest handling and storage)
  - E.g. Mortality of animals; Fish discards; Product damage during harvest, storage or transport; Products sorted out due to cosmetic requirements; Unpredictable changes of contract terms

  **Processing**
  - E.g. Process losses; Product damage during storage; Suppliers having to take back products that were not sold

  **Retail**
  - E.g. Date expiry in depot/in-store; Surplus stock; Product damage during storage; Products sorted out due to cosmetic requirements

  **Consumers**
  - E.g. Waste during storage; Surplus cooked; Food that has been ‘spoilt’; Food preparation waste; Plate scrapings

**Source:** European Court of Auditors.
### Why an audit on food waste?

- Many studies and initiatives going on but very few centered on the EU’s responsibility

EU has **funds and legal provisions** that **affect the behaviour of all the actors** in the food supply chain

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<th>EU instruments which have an effect on the fight against food waste</th>
<th>Food waste prevention</th>
<th>Donation</th>
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<td>Producers</td>
<td>Processors</td>
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<td><strong>EU Funds</strong></td>
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<td>FEAD</td>
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<td><strong>Legal provisions not linked to funds</strong></td>
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<td>Waste directive</td>
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<td>Food safety rules</td>
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<td>Marketing standards</td>
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<td>(Un)fair trading practices</td>
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<td>VAT and financial stimuli</td>
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The audit scope and main question

- For the purpose of this report, **food waste refers to**:
  “any product or part of a product grown, caught or processed for human consumption that could have been eaten if handled or stored differently”

- Focus on **prevention and donation**, the two highest layers in the hierarchy

- **Audit question**
  Does the EU contribute to a resource-efficient food supply chain by combating food waste effectively?
## Our audit approach

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<th><strong>Document review and interviews</strong></th>
<th><strong>Large amount of studies available</strong></th>
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<td><strong>6 Commission DGs concerned</strong></td>
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<td><strong>5 MS visited: Italy (Lazio), the Netherlands, Portugal, Romania and Finland;</strong></td>
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<td>In each of these Member States typically we visited 5-6 different Ministries</td>
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<th><strong>On-the-spot visits</strong></th>
<th><strong>On-the-spot visits to relevant EU beneficiaries</strong></th>
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<td><strong>Stakeholders</strong></td>
<td><strong>Consultation meetings with relevant stakeholders</strong></td>
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Main structure of the report

Observations

High level political statements have not been translated into sufficient action

Decreasing ambition in the Commission’s strategic documents over time

Fragmented and intermittent action at the technical level

Existing policies could be better aligned to combat food waste more effectively

Alignment of policies for improved food waste prevention

Clarifications and alignment of the policies and provisions for facilitating the donation of food

Recommendation 1
Commission

Recommendation 2
Commission

Recommendation 3
Commission
The EU efforts to combat food waste should be strengthened and better coordinated; in doing this the EU could take a greater role in the appropriate forums at a global level. This implies concerted action by the EU bodies and Member States to agree a common strategy as soon as possible.

At the technical level the Commission should now develop an action plan for the years ahead covering various policy areas. This should include agreed descriptions of what constitutes food waste at all stages of the food chain and a methodology for measuring the impacts of its strategy.
Why recommendation 1?

➢ Commission’s ambition has decreased over time (*para 28 and Fig. 3 of the SR*)

➢ limited effectiveness of Working Group and Expert Group (*Box 4*)

➢ possible action at international forums (e.g. UNECE – see *Annex I*)
Recommendation 2

The Commission should consider food waste in future impact assessments and better align the different policies which can combat food waste

a) As regards the CAP

- topic of food waste should be included in the forthcoming review of the policy
- encourage Member States to prioritise the objective of combating food waste when programming future expenditure
a) As regards the CAP *(paras 34-51 of the SR)*

- no assessment of the impact of direct payments and market measures on generation/prevention of food waste
- not much use of educational messages school milk and school fruit schemes to pass
- no planned use of EAFRD to fund projects that contribute to reduce food waste (by accident rather than design)
b) As regards the common fisheries policy
   - closer monitoring of the landing obligation
   - facilitate the use of available EU funds for investments that combat food waste

c) When developing its food safety policy
   - facilitate the exchange of good practices on hygiene and traceability
   - as regards food labelling, assess the need to intervene in order to prevent labelling practices that generate food waste
b) As regards the common fisheries policy *(paras 52-61 of the SR)*

- data on catches and discards not fully available
- no planned use of the Fisheries funds to fund projects that contribute to reduce food waste

c) When developing its food safety policy *(paras 62-69 of the SR)*

- insufficient exchange of guidelines on good hygiene practices and on lots identification
- unsatisfactory use of labelling of «best before» and «use by» dates; unjustified differences in the shelf lives of similar products; insufficient consumer awareness of the meaning of both labels
Recommendation 3

The Commission should

promote the option of donating food that is safe for consumption and that would otherwise be wasted

- clarify the interpretation of legal provisions that discourage the donation of food

- assess the impact of extending donation to those policy areas where it is not taking place

- complete the legislative requirement to allow the use of food from agricultural stocks from public intervention

- promote the use of existing provisions for donation among Member States
Why recommendation 3?

a) (paras 71-73 of the SR)
   - Waste framework directive
   - General Food Law
   - VAT rules on donated food

b) (para 74 of the SR)
   - donation of withdrawn fish and of fish that cannot be marketed (e.g. undersized)

c) (paras 75-76 of the SR)
   - donation of food from agricultural stocks from public intervention

d) (paras 77-79 of the SR)
   - FEAD
   - donation of fruit and vegetables withdrawn from the market
Thank you for your attention!

Any questions?

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