

# Voluntary Agreements as a policy instrument for food waste reduction

## REFRESH Policy Working Group

19 June 2018, 9:00-17:00 | AMS Institute, Mauritskade 62, 1092 AD Amsterdam

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### Minutes

#### Welcome presentation by the director of the AMS Institute

While not directly part of the working group, the AMS Institute is a knowledge public-private institute working on a broad range of subjects. The institute hosts students, learning programmes and entrepreneurs that jointly develop and valorise metropolitan solutions.

#### Introduction, welcome and ice breaker

*See presentation slides*

The REFRESH project started three years ago with the objective of reducing food waste, to be in line with SDG Goal 12.3 of halving food waste by 2030. 88 million tons of food – representing 8% of the European GHG emissions - are wasted yearly in the European Union, and this problem cannot be addressed by a unique solution as national context differs between member states. It is by combining different approaches and by understanding the barriers and drivers to food waste reduction that effective actions can take place. Voluntary approaches have proven to be one of the most effective means to collaboratively work on wide issues and are therefore of key relevance to consider for food waste reduction targets. Only a few people in a country are needed to trigger this change, although the active participation of signatories ensures its success.

**Icebreaker:** Position yourselves in the room according to:

“The level of experience you have in the food waste area” and

“The current progress of voluntary agreements against food waste in your country”

#### Objectives of the day

- Experience sharing from the on-the-ground research conducted through the REFRESH pilots.
- Q&A session to answer specific topics.
- Presentation and simulation of the REFRESH Blueprint tool to set up and conduct successful VAs.
- Testing of this Blueprint.

#### Overview of the agenda

*See presentation slides*

#### State of play of the 4 REFRESH pilots

As part of the project, REFRESH launched four pilot Voluntary Agreement platforms to create evidence to support effective European and national action on food waste.

In the four partner countries - Germany, Hungary, Spain, and the Netherlands - Frameworks of Action (for Voluntary Agreements) on food waste are being developed and tested under the scope of REFRESH with partners from business, civil society, and governments.

### **Voluntary Agreement pilot in Hungary**

*See presentation slides*

**Main takeaways:** The Hungarian Food Bank Association and the Ministry of Agriculture are the two main actors coordinating the pilot platform. This steering committee comprises actors of the whole food value chain, which also includes other active stakeholders.

Before launching the pilot platform, the only available data on food waste in Hungary was presented in the "[Preparatory Study on Food Waste Across the EU](#)" carried out by Deloitte Sustainability (formally known as BIO) in 2010. Hungary therefore had no other baseline data, making it difficult to set quantitative and qualitative targets for the pilot. Measurement and evaluation were initiated through this pilot, with objectives to measure household waste in 2017 and food waste in the retail sector in 2018.

At the moment, this pilot has seen fruitful cooperation between the public-private-NGO triangle, proving that there is a lot to gain by working in collaboration, sharing information and building trust between actors. The media can also play an important role, but its unpredictability can have a negative impact on the actions that are undertaken. The main driver in this collaboration is information sharing and the fact that participants learn to trust each other.

### **Voluntary Agreement pilot in Spain**

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**Main takeaways:** the case of Spain is unusual, since most of the knowledge and management of food waste is held by the local communities. On the topic of food waste, many local initiatives and global awareness raising campaigns already existed in Spain before the launch of the pilot platform, and the administration had been actively involved in raising awareness on this issue.

CREDA is the leader of the platform, facilitating and coordinating it. It is a neutral agent and the only academic institution of the platform. When choosing members, CREDA chose relevant stakeholders, with a strong will to combat food waste, rather than opening up the platform to many actors. It is not common practice to share information and data amongst Spanish businesses, and the lack of clarity of the missions and objectives of the platform made it complicated to get actors of the private sector on board at first. CREDA's academic background was nonetheless very well accepted by members and helped establish a feeling of trust. 17 organisations have joined the pilot platform so far, with actors from the primary sector, associations, NGOs and the government.

Quantification methods existed in Spain before the implementation of the platform, but these methods had a clear focus on waste in the consumption sector. The REFRESH baselining had set a clear context for quantitative and qualitative measurement.

### **Voluntary Agreement pilot in Germany**

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**Main takeaways:** The FUSIONS project was the starting point for food waste in Germany as it shed light on the variety of initiatives already in place: pilot projects, studies, political initiatives and instruments. However, there had been no thoughts about prevention targets, measurement methods or VAs. The Collaborating Centre on Sustainable Consumption and Production (CSCP) acts as host and

coordinator of the platform, and participation is entirely open. The involvement of the federal ministry of agriculture is appreciated by members; the ministry also appreciates being involved. As underlined in Hungary, the triangle public-private-NGO is one of the main strengths of the alliance. The realisation of the knowledge gaps was the foundation stone to initiate actions at retailer level.

## **Voluntary Agreement pilot in The Netherlands**

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In the Netherlands, the pilot platform is no longer at a pilot stage: the VA will remain in activity after the end of the REFRESH project, which is a major accomplishment. The goal of this VA, which is referred to as the Taskforce Circular Economy in Food, is to be one of the first VAs to lead a country to meet SDG Goal 12.3. They chose frontrunners of specific food supply chain sectors as members of the platform. As the taskforce puts it "They are at the end of the beginning". One of the main learnings was that a strong involvement of the government is critical to foster the initiation of a VA.

## **Break-out session 1: interactive Q&A discussion with pilot leaders on barriers and drivers identified through their on the ground experience**

### **Overarching question: How to overcome barriers and capitalize on drivers?**

**Discussion points from the first group** (led by pilot partners from Germany and the Netherlands)

- **Motivation: how to gather people and get them involved?**
  - There is a strong need to bridge the gap between different actors, to understand the drivers for each and the associated business cases.
  - Identifying the right people to participate in the VA is also a challenge, and using economic proof by showing an advantageous business model is essential to get organisations on board.
  - Question raised by Denmark: Getting people involved is not an issue, but some actors have limited focus and a limited agenda. What is a good attitude to adopt with these actors?
    - Should be quite transparent with these actors by showing them that a VA has to be systemic and that each actor can have a role to be part of the final solution.
    - Only by building a large movement and by creating momentum will the objective be reached.
- **Gathering actors**
  - Gathering actors often involves a two-step process: 1) invite actors to get familiar with the idea and the project, and 2) seek out active engagement from a pool of pinpointed and relevant signatories that can take the VA to the next level.
  - Gathering one actor can create a bandwagon movement: retailers are more inclined to join if other retailers are already part of the movement.
- **Confidentiality issues: how to deal with confidentiality issues and establish a feeling of trust?**
  - Only aggregated data and best practices are shared, no individual data is communicated, and competitors (e.g. retailers) do not have access to each other's numbers.
  - This has even enhanced voluntary reporting: for example, a British retailer has started publishing detailed statistics, with no negative impact on its commercial activities.

- **Finding the business case for a company**

- Reducing food waste is not the sole motivation for companies: public recognition creates a positive corporate image and can be a better element of motivation.
- Denmark noted that more success stories were needed to promote company initiatives and involvement.
- The business case plays a large role in making up stakeholders' minds. A broader focus on side streams could also create incentive as these represent an interesting alternative to make money.
- A national platform should exist to share information in an independent and respectful way, but there is a strong need to keep the momentum with the business case:
  - The VA does not always have to be government-driven as obtaining governmental funding is a long process.
  - The government does however need to be involved and provide its support for the VA.

**Discussion points from the second group** (led by pilot partners from Hungary and Spain)

- **Actors, leaders and motivations are connected questions**

- An actor of a VA can be any natural or legal person working on food (waste) topics.
- Some of the members are more involved than others, and they naturally become leaders and frontrunners on the question.
- To involve food banks or any food redistribution organisation seems relevant since they have a good knowledge of food waste in their country.
- Public actors are essential for a VA on food waste. However, they usually do not have a specific place in the different administrations and are at the interface between food safety, agriculture, environment, etc. which are represented by different ministries.
- The social aspects of food waste should also be considered when selecting the actors of a VA.
- Sometimes, if the "ideal organisation" does not already exist to lead a VA, it might be necessary to create one.

- **How to support retailers to take significant action?**

- The first step is to identify key drivers for a retailer. It usually is improvement of public image or indirect financial gains. Reducing food waste is a good opportunity to gain market share and be a frontrunner on the subject. The early adopters clearly have an advantage since it becomes complex for followers to catch up. It also helps retailers to collect data which is useful to reduce potential cost centres. Another form of motivation could be personal, by involvement of decision makers.
- Once retailers are convinced of the impact and relevance that food waste reduction can have on their entity, actions will follow.

- **Is it better to target specific retailers or sectoral organisations?**

- The sectoral organisations are good entry points since it is a way to find direct contacts. Moreover, if the organisation is represented by one of its members, both the sector and specific companies are involved. It is also useful to involve associations gathering smaller actors (e.g. hospitality) even though the risk is that there is no common voice from all the members.
- On the other hand, sectoral organisations sometimes do not have the power to impose actions to their members, who feel less involved personally. They also may want to protect the business from their adherents, at the expense of companies which could have been involved otherwise.
- In conclusion, it depends a lot on the market share (are they many retailers sharing a large market?, only a couple?, etc.). The hardest part is to convince company representatives to talk about their business in the presence of their major competitors.

- **What about the money to run a VA?**

- Investment is needed to launch and sustain a VA (for example over 7 million euros are currently being invested in the Dutch VA). Furthermore, public campaigns need a proper budget in order to ensure their success.
- Public bodies could indirectly benefit in funding VA-related food waste campaigns as they have the potential of driving food waste reduction if properly managed, meaning that municipalities would have less end of stream food waste to manage.

### **Case study: Successes and limitations of the UK's Courtauld Commitment (CC) Voluntary Agreement**

*See presentation slides*

**Main takeaways:** In the first phases of the CC, WRAP launched their awareness raising campaign called Love Food Hate Waste (LFHW). Now, this communication material is widely used by retailers. Work was done to convince retailers that less food waste on the consumer side does not mean that clients purchase less, but rather that they will spend money on higher value products.

The question of data is also critical. The first measuring and reporting phase highlighted the hotspots where improvement could be made and set up the baseline. When it comes to data sharing, WRAP has established a robust process and created an environment of trust. The organisation only unveils aggregated data; one person has access to all the company data.

### **Simulation of practical application of the Blueprint as a tool to implement Voluntary Agreements in Member States**

WRAP made a very large inventory of recent collaborative projects, and took an interest in those with measurable achieved successes. After studying in detail 62 collaborations, 19 alliances stood out as the most effective. WRAP identified 5 key success factors from these alliances, which can be used to evaluate VAs and help implement these collaborative solutions. The blueprint takes (as of now) the form of a series of question on each of these success factors. By analysing the answers to these questions, the experts can provide specific advice for the establishment of a VA within their country.

## Live testing of the blueprint with Odile Le Bolloch representing Ireland and Per Hallvard Eliassen representing Norway

- **Initiation & Set-up**

- **Ireland:** At the moment, the EPA is the main organisation actively working on food waste. It is an independent and trusted organisation. The EPA recently launched Ireland's Food Waste Charter, and its first signatories are 5 major retailers representing almost 70% of Irish grocery market. The EPA provides leadership and creates conditions to allow for agreement, with Government support and buy in from retailers. The Retail Action Group was established by the Minister to support the retailers with achieving their commitments under the agreement. A sectoral approach is planned to roll the Charter out across the supply chain, in partnership with representative bodies and others. The Agriculture market is very important for Ireland's export sector so it is essential to work with government partners. The Environment Ministry has endorsed the Food Waste Charter and communications are underway with the Agriculture Ministry to have their support. At the moment, the Retail Action Group only includes retailers, and no NGOs. However, they organise an annual forum on food waste where all actors of the food supply chain are invited, including NGOs and social enterprises.
- **Norway:** The Voluntary Agreement is referred to as a "Negotiated Agreement", and was established in June 2017. It was based on an interim agreement that was signed between the partners in 2015, which again was based on five years of collaboration between the food industry, the retail and wholesale sector and the Government through the ForMat project. It has an active involvement of the food sector (12 organisations) and of the government (5 ministries). The interim agreement and the VA signed in 2017 also involved representatives from the primary sector (agriculture, fisheries and aquaculture) and the hospitality sector.

- **Decision making**

- **Ireland:** Retailers collectively make decisions after discussions. There have been discussions about opening the group to more organisations or keeping it as it is.
- **Norway:** They have high-level political support, and the government has the overall responsibility of coordinating the process.

- **Ambition**

- **Ireland:** Their ambition is to reach SDG Goal 12.3 of halving food waste by 2030, as many sectors are driven by these sustainable development goals. They have established an agreement for 3 years with retailers.
- **Norway:** Their ambition is also to reach SDG Goal 12.3, and they have intermediary milestones for food waste reduction in 2020 (15% reduction) and in 2025 (30% reduction). The reduction in food waste will be measured using 2015 as point of departure.

- **Funding**

- **Ireland:** The EPA essentially supports the costs for this programme, and the government provides some support via the Environment Fund (Government fund established from landfill and plastic bag levies). Other financial contributions from the

industry could be explored, perhaps through their bearing costs for technical support or expertise.

- **Norway:** The food manufacturers, wholesalers, retailers and hospitality sector parts of the VA are organized through Matvett who coordinates much of the work on behalf of this part of the food sector. Matvett's budget is financed with about 30% Governmental funding, about 60% through an extra fee paid voluntarily by companies in the food sector and 10% from financial support from the food sector branch organisations.

- **Measurement**

- **Ireland:** As part of the national municipal waste statistics, food waste data is measured through waste compositional studies which are applied to total waste figures (generated through questionnaires and surveys to waste management industry). The categories are quite broad, with edible/non-edible food and industrial/municipal waste.
- **Norway:** Before the VA, a comprehensive project regarding methods, existing knowledge and data was conducted, also defining recommendations on scope, system boundaries, reporting and definition. The project resulted in a report that set the foundation of the VA. At that time, statistics and data were already collected and reported for food manufacturers, wholesalers, retailers and households. To secure feasibility in the primary sector and hospitality sector, projects were initiated to establish methods of measurement, reporting and development of statistics in both sectors. Moreover, sector-specific guidance on mapping and reporting and web-based reporting-tools were developed to increase the efficiency of data collection and reporting. Finally, a common, national definition of edible food waste was negotiated.

- **Establishing actions**

- **Ireland:** In response to a strong desire to tackle the issue of food waste by Government, other actors in the supply chain and consumers, the EPA designed a food waste charter, exposing the business proposition for companies. The EPA also provided support and case studies.
- **Norway:** The Norwegian VA addresses many topics, has conducted actions on date marking and has led continuous work in the hospitality and public sectors.

## Break-out session 2: Blueprint testing within member states

Discussion points from the first group (led by pilot partners from Germany and Hungary)

- **Defining actors: how can you identify a trusted third party to coordinate the Voluntary Agreement?**
  - In Portugal, the ministry of agriculture has recently started to work on a national food waste reduction strategy, and has called upon all stakeholders to get involved and provide input.
  - The National Federation of Food Banks may not be the most relevant organisation to assume the role of the coordinating third party. Their position is too oriented to establish a feeling of trust with all members and some businesses may not accept to share confidential data with them.

- For the Hungarian pilot platform, led by the Hungarian Food Banks Association, the governmental statistics office handles all data aspects of the VA, and ensures security and confidentiality of the data they receive from private members.
- **Support from regional or national government: how should they be involved?**
  - Once the national strategy was agreed upon with the Federal Ministry of Agriculture, other public actors joined the German platform such as the environmental department.
  - The platforms want to avoid too much intervention from the public sector (as it is the case in France).
  - Question: What ministry should consumers depend of?
- **Should food waste objectives be combined with resource efficiency objectives?**
  - In the Netherlands, actions on food waste are part of the bio-waste agenda.
  - If companies are involved in food waste issues, it seems normal that they also be involved in circularity in general.
  - In Flanders (Belgium), prevention of food waste is included in a larger program on health and sustainability in food.
- **Structure of the retail sector**
  - In the UK, it is better to deal with the retail sector rather than with trade associations as they cover more market share.
  - Trade associations were consulted in Norway when putting in place the negotiated agreement.
  - Six big retailers are part of the German platform, and smaller retailers are represented by associations, providing the SME viewpoint.
- **Including NGOs**
  - It can be difficult to get NGOs involved as their agendas are so different from those of retailers or other actors.
  - Germany has had very pragmatic exchanges with the NGOs involved in the platform. These cannot provide any data on monitoring, but contribute to knowledge exchange and to lessons learnt. In the German pilot, they have been able to provide a lot of expertise as their wide range of regional and national projects have shed the light on needs and hotspots for food waste.
  - However, all NGOs do not necessarily have the same agenda and objectives. It is consequently not relevant to reach out to all types of NGOs for the VA.
- **Ambition: all countries have the SDG Goal 12.3 as their national target, but how can intermediate targets be set? How frequent should they be?**
  - The UK's Courtauld Commitment has three-year reporting cycles.
  - If there is no national data available, getting people on board and agreeing on a general ambition is the first step. Taking action comes naturally afterwards, including setting action points on getting data.
  - Not all Voluntary Agreements are nationally oriented: some only monitor the activities of members of the VA. A VA can set individual targets for each member or can define a collective ambition: a common decision must be taken to determine which ambition is the best suited.
  - There is also an important public relations role to a VA, and it can result in a lot of positive or negative media coverage.



## Discussion points from the second group (led by pilot partners from Spain and the Netherlands)

- **Leading organisation for a VA**
  - If no relevant organisation is identified in a country, it can nevertheless be created.
  - A VA often starts without any dedicated funding and over time, funding opportunities are identified.
  - It is not the role of the government to take this place, even though its implication as an initiator is crucial to a VA's success.
  - Examples have shown that the third-party should be neutral (academic, foundation, dedicated structure, NGO, etc.) but neither a company nor the government should take on this role.
  - It could also be possible for public bodies to call for a proposal, allocate fund and choose the best coalition.
- **Alternative approaches to gain signatories**
  - Disruptive approaches work very well today. For example, buying food in advance on the internet could help retailers reduce their waste since they have a better knowledge of the demand.
  - This technology does not encourage prevention as such but is a good mitigation solution.
  - Relying on media coverage helps to share good practices and encourage businesses in their actions.
  - Depending on a country's context, diverse leverage actions can trigger a VA:
    - In the UK, the landfill tax was a very heavy burden for businesses and the government, so the Courtauld Commitment was started to reduce waste going to landfill.
    - In Italy, the social context drove the establishment of the VA.
    - In the Netherlands, the VA was used as a threat for companies since the government decided to legislate if the objectives were not reached.
    - In France, a law was voted on food redistribution, and a VA was launched to implement this law.
- **Defining the target**
  - It appears that most countries declare that they want to be aligned with the objectives of SDG 12.3.
  - However, it is necessary to go further and adopt this target at the national level, to the whole supply chain. Indeed, consumer food waste prevention remains the most challenging part.
  - Milestones are really important. They need to be ambitious, yet realistic.
- **How to measure the effectiveness of a VA?**
  - This is very challenging, since it is hardly possible to link the effects of food waste reduction with food waste figures.
  - Other parameters intervene such as the economic situation of a country, the global increase / decrease of consumption, the money dedicated to food, the evolution of the country demographics, etc.

## Closing remarks

