Proposal for a Revision of the Directive on Waste – Part on Food Waste Reduction Target – Comments of Independent Retail Europe

28 October 2021

Avenue des Gaulois 3 / box 3
B – 1040 Brussels

T + 32 2 732 46 60 F + 32 2 735 86 23
@ info@independentretaileurope.eu

www.independentretaileurope.eu
Transparency Register : ID number 034546859-02

GENERAL FEEDBACK ON THE INCEPTION IMPACT ASSESSMENT

Independent Retail Europe welcomes the ambition of the Commission to reduce food waste. With 20% of all food produced in the EU ending up as waste and 88 million tons of food waste generated annually, we fully recognise the need to continue the effort to reduce food waste. As acknowledged by the Commission in its Inception Impact Assessment (IIA) for the revision of the part on food waste of the Waste Framework Directive 2008/98/EC: *"It should be noted that the retail sector itself does not generate a lot of food waste (…)".* In 2016, the retail sector in the EU accounted for just 5% of the total food waste generated.[1]

Food waste engenders severe economic losses for retailers, therefore, they have optimised their internal supply chains over time, and developed concepts that enable to predict demand for products quite precisely and put goods on the shelf just in time. Furthermore, they have developed or engaged in initiatives to reduce their actively generated food waste to a minimum, by means of, for instance, food donations to charities, dynamic price adaptations or active B2C promotions of goods that near their expiry date with innovative business models such as Gander and Too good to go. Better consumer awareness of food waste could therefore also lead to less food waste at retail level as consumers would become more inclined to buy foods closer to their expiry date.

Member States have committed to SDG 12.3, to "*halve per capita global food waste at the retail and consumer levels".* Considering that in the EU 53% of food waste is created by households, whilst only 5% by the retail sector, it is evident that in the EU the largest potential for food waste reduction is at consumer level.

We believe that the reduction of food waste at consumer level should be the responsibility of the whole chain. Furthermore, the effort to reduce food waste can only be considered successful, if a reduction is achieved along the entire food chain, from farm gate to the end consumer, and not just in individual segments. Therefore, we would encourage that the EU would appropriate itself the SDG objective, and extend it to the entire food chain.

The impact assessment for the revision of Directive 2008/98/EC attributes *"a high impact on food waste generation both up and downstream in the food supply chain"* to the retail sector. Allegedly last minute cancellations by retailers and the latter sending unsold goods back to suppliers would increase food waste upstream at producer and manufacturer level. This issue should be solved by the implementation of the UTP Directive; we do not expect that this will lead to significant increases on food waste at the retail level. Downstream, retailers dedicate significant resources to guide the consumer with clear indications as well as awareness raising campaigns on what to take into consideration when assessing whether foods are still safe to eat. Furthermore, retailers have conducted considerable efforts to improve their packaging, to extend the durability of products, and to safeguard their quality and nutrients as long as possible.

➔ **Food retailers already conduct significant efforts to reduce their actively generated food waste to a minimum, even though the retail sector itself does not generate a lot of food waste.**

1 Åsa Stenmarck (IVL), Carl Jensen (IVL), Tom Quested (WRAP), Graham Moates (IFR). (2016) Estimates of European food waste levels. Stockholm: FUSIONS, http://www.eu-fusions.org/phocadownload/Publications/Estimates%20of%20European%20food%20waste%20levels.pdf

- **Priorities should be set for the stages in the food chain with the largest potential for the reduction of food waste, which are at the production and processing stages, and at consumer level.**
- **Food retailers have spent significant resources to guide the consumer, cooperate with innovative new business models against food waste or improving packaging, amongst others.**
- **The implementation of the UTP Directive will reduce any food waste caused by retailers upsteam.**

POLICY OPTIONS

For the following reasons, Independent Retail Europe prefers these policy options:

1. Step 1

Scope: Independent Retail Europe supports *Option S1*, which aims for a reduction in food waste over the whole food supply chain, from farm gate to final consumer, whereby reduction of food waste at consumer level should be the responsibility of the whole chain, from the producers to the consumers. By only targeting retail and the final consumer, as proposed in *Option S2*, the EU would miss a significant potential for reducing food waste, from food lost during transportation, to important amounts of food lost during the processing and manufacturing levels. Data from the EU-funded FUSIONS project shows that in the EU 53% of food waste is created in households, 19% in food processing, 12% in food service, 11% at production, and 5% of food waste in wholesale and retail.[2]

Expression: Independent Retail Europe supports *Option E1,* which proposes that the target for food reduction be expressed in % of food waste reduction from the amount of food wasted in a period running from a baseline year (to be determined) to target year 2030. The process of setting a baseline year should allow for potential anomalies in data, for example as a result of atypical behaviour during the COVID-19 pandemic in the year 2020. Going further, it is important to note that in food retail, which has been the sector that has achieved significant reductions in food waste, any additional reductions will now require innovation and ingenuity. Therefore, a target set over a period of time, pegged against a base year must give retailers the required level of flexibility to focus on absolute progress over a period of time rather than to be bound by strict intermediate steps. While there may be little progress over the period of one year, an innovation, could lead to a significant, sudden reduction of food waste at a later stage.

The way the targets are set for Member States: Independent Retail Europe supports *Option T1,* to set the same target levels of food waste reduction for all of the Member States. This is the only option that guarantees an EU-wide level playing field, and reduces the risk of free riding, which is likely to occur with Options T2 and T3.

2. Step 2

At this stage it is very difficult to assess the implications of the different proposed options, particularly as they are indicative. For this, the study carried out by the JRC will hopefully give a clear-cut science-

---

2 Åsa Stenmarck (IVL), Carl Jensen (IVL), Tom Quested (WRAP), Graham Moates (IFR). (2016) Estimates of European food waste levels. Stockholm: FUSIONS, http://www.eu-fusions.org/phocadownload/Publications/Estimates%20of%20European%20food%20waste%20levels.pdf

based analysis of where the highest potential for reduction is to be found, and what potential food waste reductions can be achieved at each stage, from farm gate to the final consumer. Furthermore, the Impact Assessment will have to demonstrate what reductions in food waste are realistically achievable, both in terms of the level of ambition and the expected direct and indirect effects of measures put forward, for each of the stages in the food chain.

Original version: English – Brussels, October 2021

---

*Established in 1963, **Independent Retail Europe** (formerly UGAL – the Union of groups of independent retailers of Europe) is the European association that acts as an umbrella organisation for groups of independent retailers in the food and non-food sectors.*

Independent Retail Europe represents retail groups characterised by the provision of a support network to independent SME retail entrepreneurs; joint purchasing of goods and services to attain efficiencies and economies of scale, as well as respect for the independent character of the individual retailer. Our members are groups of independent retailers, associations representing them as well as wider service organizations built to support independent retailers.

Independent Retail Europe represents 24 groups and their 386.602 independent retailers, who manage more than 753.000 sales outlets, with a combined retail turnover of more than 944 billion euros and generating a combined wholesale turnover of 297 billion euros. This represents a total employment of more than 6.603.000 persons.

Find more information on our website, on Twitter, and on LinkedIn.