

Our position Published: 11 April 2022

Food-waste prevention measures



Background

Twelve million tons of food are thrown away in Germany every year. Eleven percent of this can be attributed to farming and agriculture, 17 percent to the food processing industry and 13 percent to the catering industry. Retail accounts for four percent and private households for more than half of the waste, equating to some 85 kg per capita. These figures need to be reduced. The previous Federal Government (2017-2021) therefore approved the National Strategy for the Reduction of Food Waste. In accordance with the Sustainable Development Goals (SDG) agreed by the United Nations, retail and consumer food waste is to be halved in Germany by 2030 and there should also be reductions in the waste generated by manufacturing and supply chains. The current dialogue forum for the wholesale and retail industries, of which the REWE Group is a member, forms part of this strategy and will present its final report in the second half of 2022. In its coalition agreement, the Federal Government defined compulsory sector-specific targets for reducing food waste and expressed its intention to clarify questions of liability and facilitate tax relief on donations.

REWE and PENNY have been firmly committed to reducing food waste for many years. Throwing food away runs counter to the REWE Group's social, environmental and economic beliefs. A wide range of measures is needed to that end.

Thünen Institute, Analysis of the situation in Germany in 2015, <u>Thünen-Institut:</u> Lebensmittelverschwendung stärker ins Bewusstsein rücken (thuenen.de)





Our position

PENNY and REWE use state-of-the-art demand-forecasting and optimised logistics systems, enabling them to sell an average of 98 percent of the food on their shelves each year. Any goods which remain unsold despite our best efforts are donated free of charge to 950 local food banks across Germany. In addition, a growing number of stores cooperate with organisations such as Foodsharing. Contributors include stores where surplus food cannot be collected by the food bank often enough or at all. In contrast to France and other countries, German retailers already donate products on a voluntary basis to social welfare organisations as a matter of course. Furthermore, Germany is starting from quite a different position: German retailers already produce significantly less waste than their French counterparts, for instance. Therefore, it is our view that there does not need to be a legal requirement for retailers to donate unsold food. It would lead to over-regulation and excessive bureaucracy, making food donation unnecessarily complicated.

Instead, charitable organisations, such as food banks, should receive reliable, continuing support from the federal and regional governments. When we joined the dialogue forum, we committed to an ongoing expansion of the already significant number of stores working with these charities. However, this is becoming increasingly difficult due to the lack of organisations collecting donations in some areas. It is therefore necessary to develop and expand resilient food bank logistics and coordinate regional distribution networks, particularly in rural areas. Areas that do not currently have a food bank should be encouraged to put structures in place and to facilitate other cooperative models with minimal red tape. In general terms, the experience needs to be as unbureaucratic and as safe as possible for both recipients and donors. In this context, food banks also need to be given support to digitalise. This specific issue is addressed by the 'eco-platform' development project sponsored by the Federal Ministry for Food and Agriculture. Since 2019, pilot food banks have been trialling ways to digitalise the interface for redistributing donated food to the food banks. The first stage of the project – digitalised delivery notes – was successful and now needs to be rolled out to all the food banks in Germany.

Furthermore, **liability issues in particular must be resolved in a timely manner and legal compliance established.** Clear and consistent national guidelines on the foods that may and may not be donated are crucial here. At the same time, there must be transparency about the requirements that need to be fulfilled by the organisations collecting donations. In the case of small, independent organisations in particular, there is often a commercial risk that compliance with food regulations cannot be verified.



For this reason, we want the minimum standards which recipient organisations need to meet to be clearly defined. These include the existence of hygiene protocols and the ability to reliably maintain cool chains. In this regard, the 2021 revisions to the 'Guidelines on the Donation of Food to Social Organisations' are useful but still require further clarification to ensure that they work in practice as well as facilitate cooperation with a larger number of organisations.

To make it as easy as possible to donate food, there also needs to be discussion about the exclusion of liability for food distributors and donors. Of course, this would only apply when food is redistributed to charitable organisations where, despite appropriate statutory requirements, food or hygiene regulations are not implemented and/or complied with in full.

In our view, consumers are also crucial to any measure for preventing food waste.

There needs to be greater awareness and understanding of the issue, with a focus on communicating the advantages for customers from a more responsible approach to food: It's good for the environment and good for their wallets. This is precisely what PENNY and the Federal Ministry for Food and Agriculture have been doing since 2019 with their joint campaign 'Kostbares retten' (*Don't just throw it away*), which focuses on the best before date, Unlike the use-by date, food that has reached its best before date can still be consumed. Consumers should trust their senses more. To encourage them to do so, many products now carry the recommendation to "smell, taste, and enjoy" near the best before date.

The discounter PENNY has also been selling blemished or imperfect organic fruit and vegetables under its own 'Naturgut Bio-Helden' (Organic Heroes) brand since 2016, working together with farmers to increase consumer appreciation of food so that more of it can be sold. The range is growing: Since its launch, the number of 'organic heroes' has increased from 13 to 37, depending on the season and the harvest.

The REWE Group takes a critical view of 'skipping' as a means of combating food waste. This illegal practice of removing food from retailers' bins poses health risks. Food skippers do not know why the food has been disposed of in this way, and produce may be contaminated without any obvious signs, or items may have been recalled. This food cannot be donated and must be thrown away by law.

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Our view on the appropriate way forward

- We believe that a legal requirement for retailers to donate unsold food is unnecessary. A law would make donating food unnecessarily complicated due to excessive bureaucracy. Moreover, its implementation would be virtually impossible due to the number of recipient organisations.
- Ongoing support for charitable organisations from federal and regional governments must be guaranteed. Good quality food can only be donated if there is an efficient infrastructure in both the urban and the rural areas.
- We are calling for greater public awareness about food waste with the goal of reducing the food waste generated by consumers.
- In light of significant health risks, we oppose the practice of 'skipping'.



Your Public Affairs contact on this topic



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About REWE Group

The cooperatively organized REWE Group is one of the leading trade and tourism groups in Germany and Europe. In 2020, the company generated a total external turnover of around 75 billion euros. Founded in 1927, REWE Group operates with 380,000 employees in 21 European countries.

The sales lines include REWE, REWE CENTER and BILLA as well as BILLA PLUS and ADEG supermarkets and consumer stores, the discounter PENNY, IKI, the drugstores BIPA and the toom Baumarkt DIY stores. The company also operates convenience stores REWE To Go and the e-commerce activities REWE Lieferservice and Zooroyal. The Lekkerland Group comprises the wholesale activities of the business group in the area of on-the-go consumption. Travel and tourism under the umbrella of DER Touristik Group includes the tour operators DERTOUR, Jahn Reisen, ITS, Meiers Weltreisen, Travelix, Kuoni, Helvetic Tours, ITS Coop Travel, Billa Reisen, Koning Aap, Apollo, Exim Tours and Fischer as well as more than 2,300 travel agencies (e.g. DERTOUR, DERPART, Kuoni, Exim, Fischer and cooperation partners), the hotel brands Sentido, Aldiana, Calimera, Cooee, and the online travel portal Prijsvrij Vakanties.