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Welcome & introduction

Following the launch of the project during the kick-off meeting on 2 March 2020, the first online workshop for the Pilot Group took place with the main objective to identify common indicators, share a standardized and consistent methodology for data collection across Food Banks, and define how to make sense of the information of impact management and measurement.

The second online workshop focused on communication and on "make data speak" with the objective of focusing on the value of data for fund/food raising and communication.

From this point on, the Pilot Group will concentrate on 4 areas of indicators for Food Banks: economic, social, environmental, and nutritional. The objective is to define common results to create an online Observatory on Food Donation.

Therefore, the third online workshop focused on the economic area. The topic was addressed from the perspective of Food Banks but also with the support of external experts especially from the academic world.

Angela Frigo, FEBA Secretary General, made an introduction to recap the previous meetings and to underline the importance of defining common indicators in the 4 above mentioned sectors. Economic indicators are the groundwork from where the pilot group’s “journey” started.
Giulia’s presentation focused on how to evaluate and how to calculate the costs and the benefits of food donation, both for the donors and the non-profit organisations like Food Banks.

Politecnico di Milano carried out several studies on this topic, trying to study this complex task. Measuring performances and collecting data are crucial aspects for realities such as Food Banks.

Definitions & measurement

As the Pilot Group, together with FEBA and external experts is doing, it is important to start defining the most important indicators for Food Banks, for example:

A. Surplus food: edible food which is produced, processed, distributed or served but for various reasons is not purchased or consumed by the intended customer.

B. Food waste: surplus food that is not recovered for human consumption.

How to face the food waste & food insecurity paradox?
In this regards, it is crucial trying to innovate the instruments of data collection and management, interacting with all the different actors to collect in-depth information.

1st phase: analyze surplus food incidents and the causes of surplus food generation.

2nd phase: integrate additional information on the redistribution processes and costs, having the possibility to go more in depth and collect more evidences on processes and costs.

In general, measurement of surplus food is still a challenge because it is not systematic. Food Banks play a key role in this challenge, also partnering with enterprises and universities.

2. Process optimization & cost analysis

When an organization has data, it is possible to optimize processes to save food from waste. In this regards, the most important pillars are: prevention, redistribution for human consumption, re-use for animal feed and recycling.

The effectiveness of surplus food recovery is higher where there are structured surplus food management processes in place, thanks to a surplus food management system made by the part of measurement, the one of coordination and the organization’s one.

Innovation and optimization requires the analysis of costs. Which costs are incurred by the enterprises that go for food redistribution? Is it worth doing?

<table>
<thead>
<tr>
<th>Euro/kg</th>
<th>Common costs</th>
<th>Differential costs</th>
<th>Total costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>0.06</td>
<td>0.04</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>57%</td>
<td>43%</td>
<td>100%</td>
</tr>
<tr>
<td>Distribution</td>
<td>0.39</td>
<td>0.38</td>
<td>0.77</td>
</tr>
<tr>
<td></td>
<td>51%</td>
<td>49%</td>
<td>100%</td>
</tr>
<tr>
<td>Food service</td>
<td>np</td>
<td>1.90</td>
<td>1.90</td>
</tr>
<tr>
<td></td>
<td>0%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
3. Local redistribution networks & Impact measurement systems

Priorities of action

**Social efficiency: Redistribution costs vs. value for beneficiaries (e.g. average product price)**

<table>
<thead>
<tr>
<th>Euro/kg</th>
<th>Redistribution cost</th>
<th>Product value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>0.10</td>
<td>2.50</td>
</tr>
<tr>
<td>Distribution</td>
<td>0.77</td>
<td>2.52</td>
</tr>
<tr>
<td>Food service</td>
<td>1.90</td>
<td>6.40</td>
</tr>
</tbody>
</table>

“Multiplier Effect”

**Economic breakeven: Differential redistribution costs vs. costs of alternative destinations (e.g. waste management)**

<table>
<thead>
<tr>
<th>Differential redistribution cost</th>
<th>Differential waste management costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>0.04</td>
</tr>
<tr>
<td>Distribution</td>
<td>0.38</td>
</tr>
<tr>
<td>Food service</td>
<td>1.90</td>
</tr>
</tbody>
</table>

**Surplus food rate over production**

\[
\text{Surplus food rate over production} = \frac{\text{donated + disposed}}{\text{production}}
\]

- Measures the efficiency of generating low level of surplus food compared to overall production volumes

**Donation rate over surplus food**

\[
\text{Donation rate over surplus food} = \frac{\text{donated}}{\text{donated + disposed}}
\]

- Measures the efficiency of recovering and redistributing surplus food for human consumption before it becomes waste
In the period between Workshop 2 and Workshop 3, FEBA and external experts asked the members of the Pilot Group to send must-have indicators in relation to the 4 areas of interest (economic, social, environmental and nutritional).

From these common shared indicators, the project goes on with the aim to create an Observatory on Food Donation.

1. Taxonomy & glossary on Food Banks with almost 80 definitions

Thanks to the Pilot Group’s inputs, FEBA starts creating a glossary to support Food Bankers and external stakeholders and to define indicators to better calculate costs and Food Banks’ economic impact. FEBA gathered different words and concepts, checking the different official sources to have a common and shared basis.

2. Food Banks’s Economic indicators

Starting from some questions in relation to the cost of redistributing food for a Food Bank, the commercial value of the food redistributed, the saved costs for a company and the multiplier effect of redistributed food by Food Banks, members of the Pilot Group together with FEBA and external experts, started to list a number of common indicators to set up the basis of the online Observatory on Food Donation.

In the following months, working also on the social, environmental and nutritional aspects participants will identify a common set of indicators.
Data collection platform: a quick update

Fabio Fraticelli, COO, TechSoup Italy

Conclusions

In the platform there will be the ‘Attribute’ (title, description, measurement method, available frequency, datasource), the ‘Definition’ with the explanation of different methods of data entry in relation to the frequency (e.g. once a year, once a month) and the ‘Modality of input’ (manual or updating a csv. file).

The activity of Food Banks is complex and therefore in this context it is important to take steps forward starting from what is available, and build on this. With a clear methodology to manage data in a transparent way, FEBA and its members can better communicate with external stakeholders and public institutions at national, European and international level.

The work of the Pilot Group led by FEBA and external experts, will lead the way and be a turning point for the next years for Food Banks at European level.

How Food Banks will populate the platform with data?

Basically, each indicator is a result of interactions between different variables. It is possible to consider an indicator as a final result of a formula that puts together parameters and variables. A parameter is a value in the system that does not change too often, it is possible to set a country level. While a variable changes very often (e.g. tonnes recovered and redistributed).
Acknowledgement

The European Food Banks Federation takes this opportunity to gratefully acknowledge DG Health and Food Safety, European Commission for concretely supporting the reinforcement of the credibility and efficacy of FEBA and its membership.

A grateful acknowledgement to Laura Gavrinelli for driving us to the discovery of the value of measuring and the importance of Food Banks’ Economic indicators.

A deep appreciation to Fabio Fraticelli and Chiara Grassi for giving an added value to the discussion thanks to their competence and expertise in the development of the online observatory.

We warmly thank Giulia Bartezzaghi for her time and expertise. Her experience and the open discussion were precious occasions to learn and understand better the importance of measuring data.

Last but not least, many thanks to all the participants who actively contributed to the success of the first FEBA virtual workshop.