



HOTREC position on the circular economy package

I. The restaurant industry is a small food waster and already promotes measures to reduce food waste

As an important part of the food chain, delivering millions of meals to EU citizens, the European hospitality industry welcomes the reduction of food waste. However, it is important to bear in mind that the European restaurant industry only contributes to a small amount of the total food waste generated throughout the food chain, as, evidently, its economic interest is to reduce waste close to zero. Existing statistics clearly show that the hospitality industry is not the prime source of food waste, neither an important one.

Indeed, available studies¹ based on Eurostat's data shows that altogether, the food service/catering industry generates only 14% of the total production of food waste, while the manufacturing industry and households generate respectively 39% and 42% of the food waste. It is also to be noted that these figures are based on a study, which excludes agricultural food waste, and that the catering sector not only covers the restaurant industry, but also large scale catering, hospitals, canteen, nursing homes, etc. A study which would include the agricultural sector and which would look at the share of the waste produced by the restaurant sector alone would result in an even lower percentage for the hospitality industry.

These data show that any public policy aimed at reducing food waste throughout the food chain should primarily target the households and the manufacturing sector, as the restaurant industry is hardly a waster.

Nevertheless, the restaurant industry has always taken its societal responsibility seriously on the matter and is acting to reduce food waste generated by restaurants. For instance, in Belgium, the Flemish restaurant industry recently launched the "No Food to Waste" campaign, which has already received the support from over 300 chefs in Flanders, and which offers a checklist and tips to reduce food waste in Belgian restaurants. In Austria and Germany, the restaurant industry supports the "United against Waste" campaign. In Denmark, HOTREC members also support partnership between the industry and NGOs, such as the stopspildafmad initiative. Similar initiatives are also developed in partnership with the restaurant industry in the Netherlands. In Norway, various

¹ EU-funded study "Preparatory study on food waste across EU 27"

activities are also developed, such as <u>Too Good To Go</u> (a digital APP which opens up for sale of surplus food close to closing hours at a reduced price — sponsored by the Norwegian Hospitality Association), <u>lunchfarm</u> (a digital platform for planning and ordering food, based on an "on demand" function that employee can use, which target canteens, and which allow to minimise food waste, as the employee who reserves become responsible for the food ordered), or <u>foodbud</u> (a tool which helps restaurants to donate surplus food to social clients). In many countries, national restaurant associations already inform their members about tips to reduce food waste in restaurants. Moreover, many hospitality schools across Europe already train their students to use most if not all part of raw products available in restaurants' kitchen for the production of the dishes included in their menu. These are only a few examples of many initiatives in different countries.

Main points:

- Available data show that the restaurant industry is a small food waster
- Many initiatives are already developed by the restaurant industry to reduce food waste (e.g. information campaigns, tips for professionals, training in hospitality schools)
- Public policies aimed at reducing food waste should target primarily big wasters such as households and the manufacturing industry

II. The circular economy package should not create additional burdens

Among the various industry actors throughout the food chain, the European hospitality industry distinguishes itself by its SME specificity. Indeed, 99,5% of hospitality businesses are SMEs, and 91% of hospitality businesses are micro- enterprises (i.e. employing less than 10 people). This specificity makes its far more sensitive to regulatory burdens than any other part of the food chain. For this reason, it is extremely important for any public policy meant to reduce food waste to avoid creating additional regulatory and administrative burdens on restaurant businesses, as it could seriously undermine the goal of reducing food waste.

For this reason, the hospitality industry considers essential that the new circular economy package, and in particular the review of the Waste Directive (2008/98/EC) ensures the following:

Food waste reduction targets should remain flexible

HOTREC considers that it is critical to allow for flexibility in the approaches taken by the Member States to reduce food waste throughout the food chain. Indeed, in some Member States, food waste reduction measures are already very advanced, while in some others, it is only an emerging issue. Moreover, the nature and scale of the problem might differ from country to country and from sector to sector.

For this reason, HOTREC considers that it is essential for the targets referred in recital 12 of the revised Waste Directive to remain aspirational, and that Member States should not have an obligation of results, but rather an obligation of means. Moreover, it is even more essential that any target promoted at EU level remain general (they should not be turned into sectorial targets), in order to allow each Member State to adjust its food waste policy to the real challenges experienced nationally for each part of the food chain.

For this reason, HOTREC fully supports the approach taken by the European Commission, which

refers to the targets adopted by the UN General Assembly, while avoiding obligation of results.

• The measurement of food waste should be done and funded by public authorities

The proposed new article 9-3 of the Waste Directive 2008/98, proposed as part of the circular economy package, makes it mandatory for Member States to measure food waste. It is important to ensure that this obligation remains on the public authorities, and that public authorities do not transfer this obligation to individual businesses throughout the food chain.

Indeed, experience from pilot projects involving hospitality businesses has shown that restaurant owners are not able to measure food waste themselves, as this lead to unbearable red-tape for any small business. The same goes with the financing of the measurement. 91% of restaurant businesses are micro-enterprises, while 99,5% of them are SMEs: they would not cope with any additional specific financial obligation imposed on them to measure food waste. In this context, one could doubt whether the result of the measurement is worth the effort. This is the reason why, such measurement should be done and funded by public authorities.

Consultation of stakeholder is carried-out before adopting concrete measures

Reducing food waste is a complex issue, which needs to be tackled through different instruments for different actors. Any measure meant to reduce food waste need to be tailored to the specific sector it targets. For this reason, it is essential for Member States to ensure proper stakeholder consultation before adopting specific measures to reduce the flow of waste, and in particular food waste. The new article 9 of the Waste Directive should therefore make reference to the consultation of stakeholders at national level when Member States adopt measures to prevent waste. This would avoid adding un-necessary regulatory burdens and red-tape, which would be counter-productive and which could indirectly lead to the opposite effect.

Main points:

- Targets should remain aspirational: there should only be an obligation of means for Member States, as proposed by the Commission
- The measurement of food waste proposed by art 9.3 of the Waste Directive should be done and funded by public authorities, not by the industry, as such additional burdens would be counterproductive
- The new article 9 of the Waste Directive should make a reference to stakeholder consultation for waste prevention measures to be adopted by Member States

2. Funding needed for scheme aimed at collecting food for donation or re-used as feed or energy

Donation to food banks, food residues used as feeds for animals or as a source for transformation into energy are three important ways for the restaurant industry to reduce the amount of food waste. They all suffer from an important logistical problem linked to the cost of collecting the

unused food which will serve one of these purposes.

Indeed, restaurants are small businesses, which produce individually small amounts of food waste. Collecting small amounts in many different locations easily become very costly and time-consuming. This is especially true in more rural and less populated areas, where the concentration of restaurants is smaller than in big urban centres.

This is a major deterrent to the collection of unused food in restaurants, which could be either donated to a food bank (when it is edible) to a feed producer or to a company for transformation into energy. Unfortunately, the Commission circular economy package does not mention this important aspect at all. HOTREC considers that the Waste Directive should therefore specifically call on public authorities to consider introducing some form of funding for schemes aimed at collecting un-used food which can be used for another purpose (e.g. donation to food banks, reused as a source of energy or as animal feeds).

Main points:

 The revised waste Directive / circular economy package should call on public authorities to introduce some form of funding, when appropriate, for schemes aimed at collecting un-used food which can serve another purpose

III. Misconceptions about the role of "Doggy bags" and donations in reducing food waste

The role of "doggy bags" and food donation in reducing food waste is often mis-estimated. In both cases, they should be considered as the last resort in the restaurant industry, as it fails to address the real causes of food waste (mis-en- place, portion sizes, sudden and unexpected decrease of attendance in a restaurant, garnitures not fully eaten by consumers, etc.).

Moreover, concerning doggy bags, there is no study that proves that guests really eat the left over's from the doggy bag that they took home. Focussing on doggy bags only give the wrong impulse, as guests might expect a doggy bag and portion sizes might even become bigger, therefore creating a wrong incentive that might generate additional waste. Doggy bags also creates a food safety issue, as the food in a doggy bag cannot be safely eaten for long.

Donating to foodbanks or introducing doggy bags is therefore only a 'final recourse' when everything else has been done to reduce waste upstream.

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