

INCEPTION IMPACT ASSESSMENT

Inception Impact Assessments aim to inform citizens and stakeholders about the Commission's plans in order to allow them to provide feedback on the intended initiative and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have, including on possible impacts of the different options.

TITLE OF THE INITIATIVE	<i>Proposal for a revision of Directive 2008/98/EC on waste – part on food waste reduction target.</i>
LEAD DG (RESPONSIBLE UNIT)	(for the part on food waste reduction target) DG SANTE/Farm to Fork
LIKELY TYPE OF INITIATIVE	<i>Proposal for a Directive of the European Parliament and the Council</i>
INDICATIVE PLANNING	Q2 2023
ADDITIONAL INFORMATION	<i>Farm to Fork Strategy (COM(2020) 381 final)</i>

The Inception Impact Assessment is provided for information purposes only. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Inception impact assessment, including its timing, are subject to change.

A. Context, Problem definition and Subsidiarity Check

Context

As part of the European Green Deal, the European Commission adopted the [“Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system”](#) in **May 2020** to reduce the environmental and climate footprint of the EU food system and facilitate the shift to healthy and sustainable diets. To this end, the strategy aims at addressing, amongst others, food waste, and herewith announces the **proposal of EU-level targets for food waste reduction**.

This initiative also builds on Directive 851/2018/EC amending Directive 2008/98/EC on waste, which obliges the Commission to examine data on food waste provided by Member States with a view to considering the feasibility of establishing a Union-wide food waste reduction target to be met by 2030. To that end, the Commission shall submit a report to the European Parliament and the Council, accompanied, if appropriate, by a legislative proposal by 31 December 2023.

Furthermore, this initiative is in line with the priorities of the Bioeconomy Strategy (COM/2018/673) that aims at the deployment of a sustainable European bioeconomy that, inter alia, ‘can turn bio-waste, residues and discards into valuable resources and can create the innovations and incentives to help retailers and consumers cut food waste by 50% by 2030”.

The objective of the present initiative is to follow-up on these announcements through a revision of Directive 2008/98/EC on waste. The amendment of Directive 2008/98/EC may also include other targets related to waste prevention (as envisaged in Art 9(9) thereof). The Commission is therefore also considering the establishment of a target to reduce municipal waste, to which a food waste reduction target would significantly contribute. This inter-relation will be addressed as part of the impact assessments supporting the establishment of these targets.

Problem the initiative aims to tackle

With up to 20% of all food produced in the EU ending up as food waste and 88 million tonnes of food waste generated annually (including both edible and inedible parts), food waste is one of the largest sources of inefficiency in the agri-food chain and depletes limited natural resources, such as land, water and biodiversity, on which the food system depends. Furthermore, along the food supply chain, food waste contributes 8-10% of total global greenhouse gas emissions. It also creates a pressure on the natural environment as well as on humans by wasting chemicals and fertiliser, causing pollution and harm. Finally, food waste raises serious ethical considerations, both as a symbol of the environmental destruction caused by society and as symbol of injustice that so much food is thrown away while many people cannot afford a meal.

All EU Member States have subscribed to the United Nations Sustainable Development Agenda 2030, which includes a target (Sustainable Development Goal (SDG) 12.3) to halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses, by 2030. The 2018 revision of the Waste Framework Directive lays down some new obligations for Member States as regards food waste prevention (such as the adoption of national food waste prevention programmes, and monitoring and reporting on food waste amounts). These are further supported by additional Commission actions implemented as part of the Circular Economy Action Plan (COM/2015/0614 final) – such as the establishment of a multi-stakeholder platform ([EU Platform on Food Losses and Food Waste](#)) and adoption of guidance to facilitate food donation and the use of former foodstuffs and by-products from the food chain in feed production. Still, more needs to be done to achieve this target. Prior actions have also been implemented inconsistently throughout the EU.

Basis for EU intervention (legal basis and subsidiarity check)

Legal basis:

The legal basis would be Article 192 of the Treaty on the Functioning of the European Union (TFEU). The specific delegation is laid down in Article 9(6) of Directive 2008/98/EC on waste.

Subsidiarity check:

All Member States generate food waste, which creates significant transboundary environmental externalities. Production, storage, transport and processing of food and disposal of food waste cause environmental and climate impacts (such as GHG emissions, and effects on land use, biodiversity, water use and eutrophication) within the EU. Also, production of food imported to the EU can lead to significant global environmental and climate impacts. Reduction of food waste means that less food needs to be produced and that there will be less food waste to be disposed of, resulting in lower environmental and climate damage.

Despite political commitments (e.g. SDG Target 12.3) and legal guidance (aforementioned 2018 revision of Directive 2008/98/EC), Member States' responses to food waste have been uneven and are not sufficient to address the risk of prolonged environmental damage, and the consequent economic impacts for consumers, enterprises and society as a whole. The variation in efforts across Member States as regards reduction of food waste generation indicates a need for more coordinated and uniform measures at EU level to drive the progress at the breadth and pace required to achieve SDG target 12.3. Moreover, reduction of food waste is needed to achieve climate neutrality in the EU by 2050, including the intermediate target of an at least 55% net reduction in greenhouse gas emissions by 2030.

Setting the EU-wide target could also improve the coordination of national food waste prevention policies, which should help to identify and scale-up effective strategies/initiatives both within and across Member States, streamline the contribution of food business operators and accelerate reduction of food waste in the EU.

B. Objectives and Policy options

The objective of the legally binding target would be to ensure that Member States take ambitious action to reduce food waste in their respective territories.

The envisaged outcome is to achieve reduction of food waste along the food supply chain and thus to contribute towards reaching the UN Sustainable Development Goal Target 12.3 to halve per capita food waste at retail and consumer level by 2030 and reduce food losses along the food supply chain. This will help to deliver on commitments under the Farm to Fork Strategy, and will help shape a food system that is more sustainable and resource efficient. It will also contribute to a more competitive, low-carbon economy with less harmful impacts on the environment and climate as well as increased resilience of food systems, while offering economic savings for farmers, food business operators and consumers and supporting social cohesion (more recovery and redistribution of food surplus).

While the proposal will define the level of reduction for different stages of the food supply chain, each Member State will be able to choose the most effective measures taking into account its specific national situation. These actions could include, amongst others:

- improving knowledge and awareness on levels and impacts of food waste;
- influencing attitudes and behaviours that lead to food waste and encourage uptake of food waste prevention measures along the food chain, from production through consumption;
- encouraging change in the food value chain toward less wasteful practices. Such measures could include amongst others: ensuring cooperation between actors of food supply chain, voluntary agreements, education, awareness raising and other measures to elicit behavioural change, support for donation of unsold food, support for valorisation of food no longer destined for human consumption and its inedible parts as high value-added products (feed, biomaterials), without compromising human or animal health; assessment of the effectiveness of food waste prevention initiatives to facilitate uptake of evidence-based solutions.

Baseline scenario:

Created as a reference scenario for other policy options, this scenario assumes that Member States take actions following the current path, i.e. following their commitments and national targets laid down in national food waste prevention programmes. In case there are no measurable commitments/targets, no specific progress is assumed. Impact from other EU policies, e.g. in agriculture, climate, bioeconomy, food (labelling) or waste (biowaste and municipal waste prevention), will also be assessed as these may indirectly affect food waste generation.

The policy options to compare with the baseline scenario will be developed in a two-step approach.

Step 1 would consider the following policy options for the scope and the way in which the targets are measured, expressed and set.

- **Scope:**
 - **Option S1** - target covering the whole food supply chain, from farm gate to final consumer
 - **Option S2** - target covering only selected stages of the food supply chain (for example SDG Target 12.3 sets targets at retail and consumer levels)
- **Expression**
 - **Option E1** - target expressed as % of food waste reduction from the amount of food waste in the baseline year (2020) to target year (2030)
 - **Option E2** - targets expressed as absolute amounts, i.e. in kilograms per capita per year to be achieved by 2030 (per country).
- **The way the targets are set for Member States**
 - **Option T1** - the same target level for all Member States
 - **Option T2** – target level differentiated by Member State
 - **Option T3** – collective target on EU level – based on MS contributions

In consultation with stakeholders, the European Commission will select a combination that is most feasible and effective.

In step 2, for this combination, the European Commission **will compare the expected environmental, economic and social costs and benefits** of the baseline scenario and following options:

- **Option 1 (basic):** to reduce food waste in the EU by 15-25%
- **Option 2: (medium):** to reduce food waste in the EU by 25-35%
- **Option 3: (advanced):** to reduce food waste in the EU by 40-50%

The proposed ranges for targets are indicative. Exact numbers will be proposed after stakeholders' consultations. Additionally, the technical feasibility of each of the options will also be assessed.

C. Preliminary Assessment of Expected Impacts

Likely economic impacts

- Overall, studies show a positive financial return on investment for public and private entities which engage in food waste prevention actions as well as savings for consumers. Therefore, food waste prevention measures should bring economic savings for society as a whole, given the overall reduction in resource use. Its impacts on different groups of stakeholders may however vary. For **primary producers**, the net economic impacts are not yet quantified. While there is a possibility that the volume of food entering into market will be reduced, this reduction will at least partly be offset by limited wastage due to better cooperation along the food supply chain (e.g. better planning, better market for misshaped ("ugly") fruits and vegetables etc.). Moreover, it can be expected that part of consumers' savings due to reduced wastage at households, will remain in the system, resulting in the demand for better quality food of higher value.
- For **food processors and manufacturers**, it may be expected that some costs have to be borne to introduce new methods and techniques to reduce food waste. However, these costs are expected to be quickly offset by savings on the purchase of raw materials and ingredients per unit of final product as well as on savings on waste removal/waste treatment costs. It is also expected that new business opportunities will be created to valorise by-products from food production both in the food sector as well as in other, related sectors, which may also help offset the costs derived from the food waste reduction actions.
- For **retailers**, as for food processors and manufacturers, some initial costs of introduction of food waste prevention innovations may be expected to be soon offset by savings. It should be noted, that the retail sector

itself does not generate a lot of food waste, but has a high impact on food waste generation both up- and downstream in the food supply chain, therefore it will need to be actively involved in national food waste prevention policies.

- For **food services**, as above, it can be expected that initial costs of introducing new techniques and methods will be offset by cost savings on food purchase and waste treatment. However, the timespan for such an offset is hard to assess and may depend on the scale of operations.
- For **households**, food waste prevention measures should result in savings due to the reduction of unnecessary food purchases and potential reduction on waste removal fees.
- For **national, regional and local public administration**, the reduction of food waste amounts should reduce spending on waste removal and treatment (if these costs are covered by the administration wholly or partly). The introduction of new policies may however result in some additional costs for planning and implementation.
- For **food waste treatment facilities** (such as operators of landfills, incinerators, compost or biogas plant which are treating food waste), reduction of food waste may impact the size of their operations and in consequence, their income.
- Overall, the actual impacts will strongly depend on the implementation measures adopted by individual Member States and how much they change from ongoing food waste-related policies.

Likely social impacts

- Social impacts of the food waste prevention measures are expected to be positive. With improved understanding of impacts of food choices on health and the environment, awareness raising may stimulate consumers to make more sustainable dietary choices. Reducing food waste may also reduce the possible feelings of guilt and/or frustration associated with discarding food, and thereby have an important ethical dimension for consumers.
- Some aspects of avoiding food waste, such as sharing food, and cooperation between food banks and other charities with retailers and other food business operators to recover surplus food from the supply chain that would otherwise be wasted and redistribute it to those in need, may also positively influence social cohesion..
- On the other hand, the successful reduction of food waste may require consumers to accept some reduction in convenience. For example, it may require more care when buying and storing food as well as more time dedicated to meal planning and preparation or even in some cases accepting some limitations in the choice of food available on demand in store or food services.
- Successful actions in reducing food waste may possibly have an impact on jobs in the agricultural sector (due to the reduced food demand, i.e. less food entering the market). On the other hand, new jobs related to the design and implementation of such actions as well as the valorisation of food waste may be created.

Likely environmental impacts

Food waste reduction is expected to have a series of significant positive environmental impacts – in particular on greenhouse gas emissions, biodiversity, land use, water use and eutrophication. These impacts come not only from food production, but also from the storage, transport and preparation of food as well as disposal of food waste. Therefore, any savings in amounts of food waste, at any stage of food supply chain, will have significant positive environmental impact both within the EU and, where relevant, globally.

It should be noted that in some cases the reduction of food waste may have limited negative impacts – e.g. better storage may come at the cost of additional electricity use for refrigeration or better protection of food may be linked with increased amount of packaging. Any such trade-offs will be analysed in the impact assessment of the proposal.

Likely impacts on fundamental rights

Not applicable

Likely impacts on simplification and/or administrative burden

The impact assessment will quantify, to the extent possible, positive and negative contributions to the administrative burden for citizens and businesses.

- For **national, regional and local public administrations**, introduction of new policies may result in limited additional costs for planning and implementation, as in fact most of those activities are already required as part of the obligation to prepare national food waste prevention programmes as well as to measure and report on amounts of food waste arising in the Member States. Further extension and, where necessary, better implementation of these national programmes may require dedicating additional resources to achieving these tasks.
- For **businesses**, the additional administrative burden will strongly depend on the type of implementing actions to be taken by Member States. The administrative burden from the additional measures may be limited, as most of the obligations set on companies result from policies that have already been adopted at EU and national level.

D. Evidence Base, Data collection and Better Regulation Instruments
<p>Impact assessment</p>
<p>The European Commission plans to adopt its proposal in the second quarter of 2023. The impact assessment will underpin this proposal by assessing and comparing the potential impacts of the different policy options described above. It will identify a preferred option or policy mix that best addresses the challenges and opportunities to achieve the overall objective of the initiative.</p>
<p>Evidence base and data collection</p>
<p>The impact assessment will draw on the evidence listed below, including lessons from previous evaluations, and consider the effect of potential solutions on consumers, SMEs and food business operators in particular.</p> <p>The targets for food waste prevention (at the time voluntary) were already positively assessed (SWD(2014) 289 final) as a part of a previous policy proposal on the revision of the waste Directive (COM/2014/0397 final - 2014/0201 (COD)).</p> <p>The main source of harmonised data (Decision (EU) 2019/1597) to establish EU and Member States' baselines and conduct modelling will be data reported by Member States to Eurostat (by 30.06.2022) as well as previously collected national data (where quality data are available).</p> <p>The main scientific reports to be used are:</p> <ul style="list-style-type: none"> • the results of the FP7 project FUSIONS, • results of H2020 project REFRESH • JRC report Assessment of food waste prevention actions (2019) • JRC Brief on food waste in the European Union (2020) <p>The preparation of this initiative will be supported by an impact assessment.</p> <p>A dedicated analytical study is being carried out in-house by JRC. The impact assessment will cover the scope and level of ambition of the targets as well as the modalities for reaching the targets.</p>
<p>Consultation of citizens and stakeholders</p>
<p>The Commission will consult all relevant stakeholders through public and targeted consultations to gather views and feedback in view of further developing and fine-tuning the different initiatives. Alongside citizens, stakeholders that will be consulted include, but are not restricted to, national competent authorities, non-governmental organisations, academia, scientific experts, food business operators, economic actors and their professional associations.</p> <p>The targeted consultations process will include:</p> <ul style="list-style-type: none"> • A set of targeted consultation activities with stakeholders ranging from surveys to interviews and case studies. • Targeted consultations with Member State experts in existing Committees and Working Groups. • Targeted consultations with stakeholders in the Advisory Group on the Food Chain. • Events with stakeholders (e.g. conference/ workshop/ seminar) may also be organised during the impact assessment process to complement the consultation process. <p>Consultations will take place in particular through the EU Platform on Food Losses and Food Waste.</p> <p>A public consultation is planned in the form of a 12-week questionnaire-based, online consultation on the Commission's 'Have your say' portal, expected to run in the fourth quarter of 2021. It will be available in all official EU languages and give any interested party the possibility to contribute. Respondents may reply in any of the EU official languages.</p> <p>When completed, the Commission will publish a consultation summary summarising the facts of the public consultation after the public consultation is closed.</p>
<p>Will an Implementation plan be established?</p>
<p>No dedicated implementation plan is currently envisaged; however, where applicable, implementation support will help Member States to successfully implement the possible future legislative changes. This could include bilateral/multilateral expert meetings with Member States, interpretative/guidance documents, etc. A particular role in supporting implementation is envisaged for the EU Platform of Food Losses and Food Waste (to be re-established as of 2022).</p>