

E-Forum on Full Cost Accounting of Food Wastage

Summary of Discussions

Week 1: 21 October to 27 October 2013

Introduction. The first week of the e-forum was an opportunity for the participants to familiarize themselves with the Full Cost Accounting (FCA) Framework for food wastage. The objective of this first week was to discuss FCA conceptual framework in general and eventually dwell on the social accounting aspect of the framework. The social component of the FCA presented by FAO in the working paper is comprehensive but sketchy, thus requiring suggestions on relevant indicators and studies. The key points arising from the first week discussions are presented below.

Defining food loss and waste. The definition of what is included in food wastage is a subject of debate, depending on use, reduction objectives and values. Suggestions included whether: overeating should be considered as food waste; the use of the WRAP classification of avoidable losses, possibly avoidable losses, and unavoidable food waste would be more appropriate for wastage mitigation purposes; discounted food prices would qualify as waste, in the case of supermarkets unsold items.

Improving the FCA framework. The fact that the FCA framework includes the impacts of food wastage from the production to the end of life phases should be strengthened, also through a clear schematic representation. Some stages of the life cycle could be represented differently, as social impacts might be different at different stages of the life cycle (for example health impacts during agricultural production or end-of-life management). Furthermore, there is need to consider the different management approaches (e.g. food wastage treatment methods) at the different life cycle phases.

Social aspects of the FCA framework. Food wastage and consequent agricultural intensification can lead to a reduced access of the most vulnerable to natural resources. This could lead to food insecurity, loss of vital traditional knowledge (such as food rationing and conservation techniques), disharmony and community unrest. Costing this type of negative impact of food waste should consider: the social and environmental cost of food replacement, health costs, legal fees linked to litigation, inequality, etc. Although difficult to quantify, the costs linked to the loss of personal esteem when changing role in society due to the lack of access to natural resources and traditional jobs should be considered. The economic push-pull of food waste (or consumption inefficiencies) results in food production that stimulates the economy and jobs. Thus, some people argue that by reducing food waste, economic opportunities decreases, as less production and less employment takes place. This qualify food waste as a “commodity” that creates jobs for its management. The FCA framework will need to consider both economic costs and benefits of food wastage reduction efforts. What also requires attention are practices that seek to reduce waste by encouraging over-consumption, such as the “buy one, get one free”. Effective management should start with better planning of food production and marketing, rather than end-of-pipe mitigation, in order to secure sustainable consumption and production.

Resources suggested. The e-forum participants mentioned several of their interesting projects, including:

- The social capital creation in food waste reduction or recovery: PhD from Tony Urbany in Italy looking at the social capitals involved in waste food reduction process, and social capitals needed for successful a food waste project
- Research project on Food Waste currently being conducted on Waiheke Island by the Waiheke Resources Trust. (<http://www.wrt.org.nz/take-action/kai-conscious>).
- Zeroing in on Food Waste: Measuring, understanding and reducing food waste, by the Australian Research Council, that looks at the social, environmental and economic modelling of food waste in Australia. (<http://www.cqu.edu.au/research/research-organisations/institutes/appleton-institute/research/current-projects/arc-food-waste-project>).
- Reduce Food Waste through the use of innovative packaging Rabobank International in the Netherlands.
- Household Food Waste in an area within the city of Nairobi.