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**UNEP Food Waste Index  
The Impact of Tax Law and Policy on Food Waste, Food Recovery and  
Donation Webinar**

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Clementine O'Connor  
United Nations Environment Programme



## One third of food is lost or wasted globally

- Costing the global economy nearly \$1 trillion each year
- Generating 8-10% of global greenhouse gas emissions
- 811 million people affected by hunger in 2020
- Key opportunity to align with NDCs & food systems pathways

# Tracking Progress on SDG 12.3

Custodians of 12.3 indicators:  
FAO & UNEP



Food Loss Index- focus on supply

“By 2030, ...



“...reduce food losses along production and supply chains, including post-harvest losses.”

Food Waste Index- focus on demand



“...halve per capita global food waste at the retail and consumer levels.”



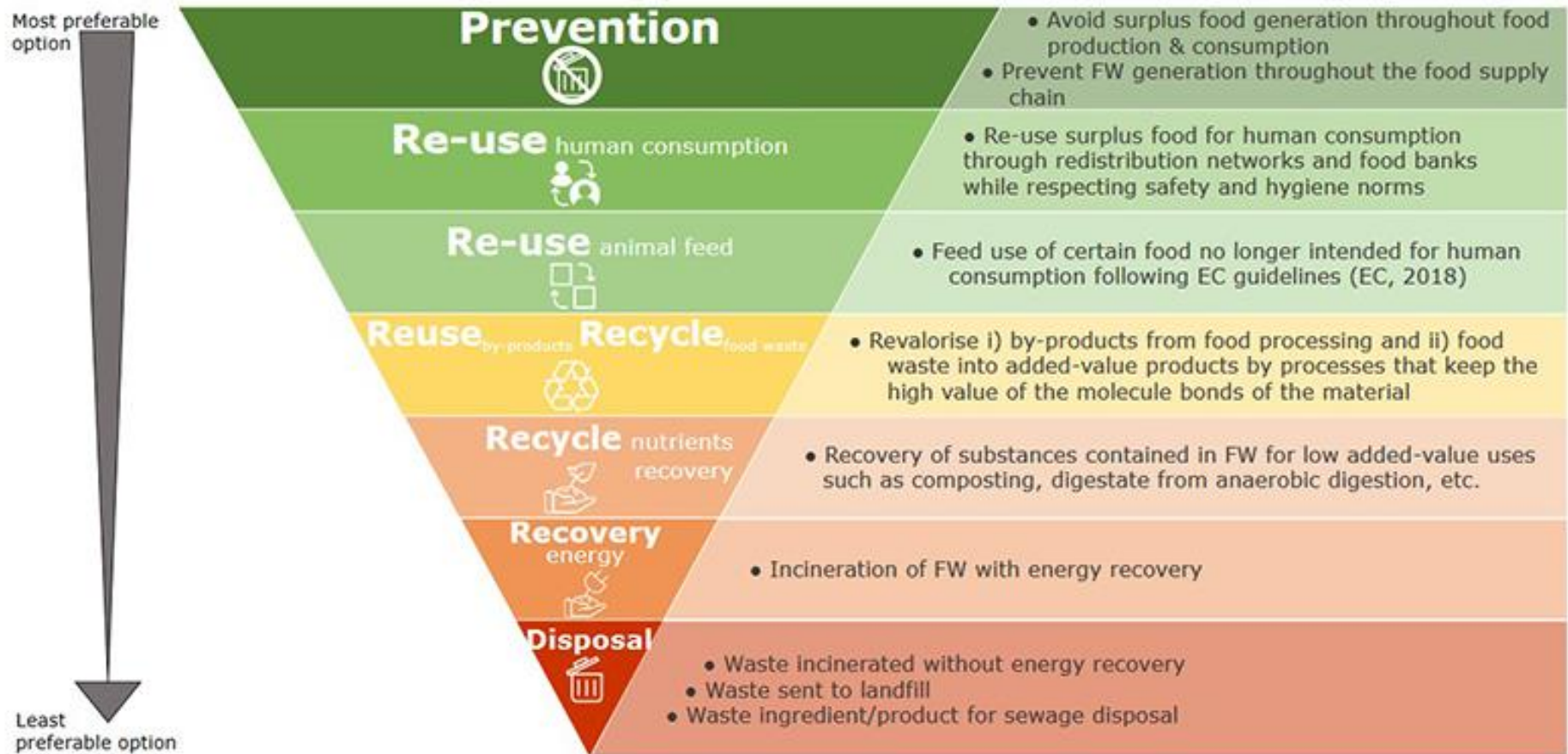


**FOOD WASTE INDEX**  
REPORT 2021

## 17% of all food available at consumer levels is wasted

- 931 million tonnes of food sold to households, retailers, restaurants and other food services wasted in 2019
- Study finds food waste is a global, not just developed world, problem
- Food Waste Index report helps countries track progress on UN Sustainable Development Goal 12.3 to halve food waste by 2030

# The Food Waste Hierarchy in the EU



In keeping with principles of the food waste hierarchy, it must be cheaper to donate food than to landfill it.

# Policy issues related to food donation in EU (2014)

| Member States | Liability | Food hygiene | Food durability and labelling | VAT not perceived on food donation | Tax credit | Tax deduction | The Waste Hierarchy |
|---------------|-----------|--------------|-------------------------------|------------------------------------|------------|---------------|---------------------|
| Belgium       |           |              |                               | X                                  |            |               | X                   |
| Denmark       |           | X            |                               |                                    |            | X             | X                   |
| France        |           |              |                               | X                                  | X          |               |                     |
| Germany       |           |              |                               | X                                  |            | X             |                     |
| Greece        |           |              | X                             | X                                  |            | X             |                     |
| Hungary       |           |              | X                             | X                                  |            | X             |                     |
| Italy         | X         |              |                               | X                                  |            | X             |                     |
| Poland        |           | X            |                               | X                                  |            | X             |                     |
| Portugal      |           |              |                               | X                                  |            | X             |                     |
| Spain         |           |              | X                             |                                    | X          |               |                     |
| Sweden        |           |              | X                             |                                    |            |               | X                   |
| UK            |           |              |                               | Zero rate                          |            |               | X                   |

# Key findings related to tax policy for food donation in the EU (2014)

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- Although one option is to consider the value of donated food as fairly low or zero for tax purposes, this may negatively impact Member States that offer a (percentage) corporate tax credit to companies on the value of food they donate, nullifying the value of that tax credit.
- “Abandoning” VAT on donated food, rather than valuing donated food at zero, may be a more effective incentive, given its compatibility with other (potentially more significant) fiscal incentives such as tax credits.
- Where feasible, given a Member State's economic circumstances, tax credits appear to be the most effective incentive for food donation.

# Key findings related to tax policy for food donation in the EU (2014)

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## Key examples:

- Fiscal incentives in France - Food donors qualify for a tax credit equal to 60% of the value of the food donated, to a limit of 0,5% of revenue of companies subject to corporate income tax.
- The application of the food waste hierarchy in France, where fiscal instruments have been used such that it is more expensive for companies to send unmarketable food to anaerobic digestion than to donate it to food banks, sending appropriate financial signals in relation to the EU waste hierarchy.
- Portugal has in place an enhanced tax deduction, meaning that donors can deduct 140% of the value of the food at time of donation, provided that the food will be used for a social purpose (such as supplying food banks) and limited to 8/1000 of the donor's turnover.



## **Food is Never Waste**

### **A Global Coalition to halve food loss and waste by 2030**

12 countries and the C40 Cities Group have prioritized food loss and waste reduction from farm to fork, setting targets aligned with SDG 12.3, working to measure and report progress, develop national strategies and act via policies and practices to halve food loss and waste by 2030.

Member states can work with the Coalition to access guidance, share and take up best practice, and **integrate food loss and waste in National Food Systems Pathways.**

How to get involved: Contact UNEP, FAO, WRI, World Bank, WRAP Rabobank, WWF or other organizing institutions.

# Thank you

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**Clementine O'Connor**

UNEP

[clementine.oconnor@un.org](mailto:clementine.oconnor@un.org)

<https://www.unep.org/resources/report/unep-food-waste-index-report-2021>