



The Corona crisis – an opportunity to rethink the food value chain

Insight and outlook - www.invisible-foods.eu – Nicolas Wenz

Even before the COVID-19 turned our world upside down, the amount of food loss and waste was unacceptable: 1/3 of all food produced was thrown away and 25% of our drinking water was used to grow food that was never eaten. These and other findings are not new, but they are no less frightening. This is why strategies and goals were developed to deal with the problem; for example, by the United Nations in the 17 Sustainable Development Goals or the European Union (within the framework of circular economy developments) or national governments setting food loss and waste goals such as halving of food waste by the year 2030. So far, however, these measures have had only moderate success.¹

Why and where food is wasted or lost

There are many reasons why food is wasted in the first place. It is thrown away in production, handling storage, processing packaging, trade retail, catering and household levels. Then there are years when the price is not right and produce is not harvested at all, or years when nature is simply too generous, resulting in surplus food and overproduction. Consumers change their preferences or retail planning simply goes wrong. And this means - from the harvested cabbage, to potatoes that did not grow perfectly in the field, to expired ready-to-eat gnocchi in the refrigerator of a private household, there are losses everywhere.

While efforts have been made already before Corona to analyze, reduce, or recycle, food waste in the retail trade or at the consumer level; wholesale, importers and producers have not been given as much consideration.

Under Corona, the situation has unfortunately worsened, and the many weaknesses of our food system are becoming abundantly clear.

Corona: food loss in trade and the fruit and vegetable markets

In the current Corona crisis, it has become even more evident what and how much goes wrong when handling food. Media images show potato mountains which find no buyers and end up in the bin, and the markets for fruit and vegetables are being massively shaken up.² In food retailing there is stronger

¹ Overview food loss und waste : <http://www.fao.org/food-loss-and-food-waste/en/> and <http://www.unece.org/trade/agr/unece-foodlosschallenge.html>

² See <https://www.dw.com/de/belgien-bittet-esst-mehr-fritten/a-53385698>

demand and the out-of-home business (restaurants, hotels, canteens and catering) has slumped sharply. In addition, border closures and logistics problems are aggravating the situation.³

Large importers and wholesalers estimate that during the crisis 35% more food end up in the bin at trade level before even reaching the retail or consumptions level.⁴

The ground-breaker or the curve ball moment

Even before the crisis, we started a project on food waste and loss. The original aim was to develop ideas and prototypes so that less food ends up in the bin. During our research, we noticed again and again how non-transparent and inefficient communication is within the food value chain and how many stages there are in this long chain.

The idea is to avoid food loss and waste via a business-to-business, or B2B. marketplace which makes invisible food visible and available.

Instead of a costly disposal in the biogas plants, the goods can find new buyers at a reduced price. Possible buyers are institutions such as canteens, hospital kitchens as well as food processors who are particularly price-sensitive and could otherwise not afford organic food, for example.

Together with our partner, the United Nations Economic Commission for Europe (UNECE)⁵, we are also working on the use of a block-chain solution in order to digitize the entire value chain in the future, to identify and quantify the origin of the losses and, based on this, to take preventive action.

Outlook

After Corona times? – at this stage, we cannot speak of an "after" and it will take some time before the extent of the crisis will really unfold.

What is certain is that things are going wrong with our food supply chains and old structures must be rethought. It must be possible to communicate more easily and faster in order to be able to react to market changes. It must be possible to create quicker and alternate ways that involve everyone, so that surplus and demand (including from food banks and charities) are coordinated more effectively. We see block-chain technology as a promising infrastructure for this, enabling us to also track food safety, to ensure trust and origin, to collect valuable data to identify hotspots and reduce food losses in the long term. Similarly, digital food certificates, shipping documents and order information can be securely, safely and efficiently transmitted.

The Corona crisis opened an opportunity to rethink and, more importantly, re-imagine the food value chain to give invisible food a second chance.

Source: Private sector

³ See <https://www.foodaktuell.ch/2020/04/03/fuehrt-corona-zu-mehr-food-waste/>

⁴ See <https://www.fruitcon.com> and <http://www.unece.org/trade/agr/foodoutlook.html>

⁵ See <http://www.unece.org/trade/agr/welcome.html>