

CONFERENCE PROCEEDINGS

Stakeholder consultation on inspiring and mobilizing action to reduce food losses in retail supply chains

SCOPING OUT KEY STRATEGIES

September 6, 2022 | Held virtually | Shaurabh Anand, Shweta Lamba, Ruchika Singh, Nitya Sharma and Nitya Chhiber

INTRODUCTION

WRI India, in collaboration with the Centre for Responsible Business (CRB) and Food and Land Use Coalition (FOLU), organized an online stakeholder consultation to “Inspire and Mobilize Action to Reduce Food Losses in Retail Supply Chains: Scoping out Key Strategies” on September 6, 2022. The focus of the consultation was to understand the scope, challenges, and opportunities for reducing food loss in the context of retail value chains in India. The workshop was attended by representatives from both organized and unorganized retail sectors. (See list of participants)

In the inaugural session, Dr. Ruchika Singh welcomed the participants and introduced the Sustainable Landscape and Restoration Programme of WRI India and the FOLU Coalition India platform. Ms. Devyani Hari introduced the CRB to the participants.

Ms. Shweta Lamba made a context-setting presentation detailing the work being done by WRI India and CRB in the domain of food loss and waste (FLW). She elaborated the scope of consultation in light of the issue of food loss in the retail value chain and also introduced the Friends of Champion 12.3 India network. The presentation concluded with the following key questions for a roundtable discussion.

KEY QUESTIONS FOR DISCUSSION

- From your experience in the retail sector, what is the extent of food loss, and how is food loss being addressed in the retail supply chain? (For example, the scale of loss, commodity and region-specific loss, critical loss points, etc.)
- What are the challenges in managing food losses in the retail supply chain? (For example, measurement, data, infrastructure, capacity, etc.)

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The content of these conference proceedings reflects the views of the conference participants and does not necessarily reflect the views of the World Resources Institute or other conference partners. These proceedings aim to faithfully reflect the conversations and content generated at the conference but for ease of readability some wording has been edited.

ROUNDTABLE DISCUSSION

Dr. Ruchika Singh from WRI India and Ms. Devyani Hari from CRB moderated the roundtable discussion. The discussion's objective was to identify the key issues related to food loss in the retail food chain and discuss potential solutions and interventions that can be used to solve the problem. The key messages that emerged from the discussion are presented below:

Food loss in the retail supply chain

About 95 percent of fresh produce moves through the informal or unorganized sector. While the share of the organized sector is growing in the urban areas, only 5 percent of total produce is currently being marketed through organized retail outlets. Food loss in the unorganized sector can reach up to 35 percent of total quantity. The bulk of the loss (approximately 20 percent of total quality) happens at the point of sale due to no sale resulting from a mismatch between demand and supply. Some proportion of food loss also occurs at the early stages of the supply chain (such as during harvesting, at the farm gate, in transit, and at collection centers such as distribution centers or mandis (markets)). The quantity of food loss at the point of sale differs from commodity to commodity (higher losses in leafy vegetables or softer vegetables vis-a-vis onions or potatoes, which can be stored for longer).

There are significant data gaps in food retail chains. Although there are data available on food loss in organized retail chains, these data are expected to have a lot of variations depending on the location and size of the store and competition. There is little or no measurement of food loss in the unorganized sector or at aggregation points, such as mandis. The participants suggested the following possible solutions for improving the collection of data on food loss:

- Documentation on the daily disposal of produce from mandis can give an indication of the quantity of food loss. This can be achieved through tie-ups with municipalities or garbage collectors.
- A matrix or template for capturing data on food loss can be developed

Innovations to reduce food loss in the retail supply chain

Large, organized retail stores use in-house algorithms, based on historical sales data, to prepare buying guides for individual stores. The use of historical data in the organized sector to predict demand can reduce food loss to 3 percent as against an industry average (unorganized sector) of nearly 30 percent. However, this may not work in a case where there are no historical data. There is the potential for technology solutions and information that can be shared with farmers in a timely manner so that the gap between demand and supply is reduced, and excess production is avoided. Predictive models can be used to match demand and supply and reduce transit times and the need for storage. The use of innovative packaging to retain moisture for more than 48 hours and pre-chilling of produce at the collection center are some of the innovative solutions being tried by organized retail stores to reduce losses during transit. Pilot testing for these interventions is currently in progress. An organized value chain minimizes transit losses by implementing clear guidelines on packaging and transit material (largely crates for fresh produce). There is the potential to reduce transit losses in the informal sector if some guidelines can be established for the transit materials (e.g., produce to be packed in crates). Better grading, sorting, and standardization practices can be adopted at collection centers, given the fact that each farmer brings different sorts of produce. Better sorting and grading help will farmers target specific buyers' requirements.

Emerging solutions to reduce food loss in the retail supply chain

Participants emphasized the need to understand the motivating factors that can push organizations to measure food loss at retail points. We need to demonstrate the value proposition of managing food loss. There may be an unwillingness to share data on food loss in the unorganized sector. For the organized sector, measuring and reporting performance on environmental, social, and governance parameters is an important

motivating factor. There is a need for various actors to align their motivations. A consortium model can be developed if people are ready to share learning with others so that the consortium can become an open type of forum. There is a need to highlight the problem of food loss and create awareness through activities like campaigns and training on good practices to reduce food losses.

ACTION ITEMS

- Reach out to interested organizations individually in both the organized and unorganized retail food sector to understand the quantum of FLW, gaps, and possible solutions.
- Explore the scope of engagement with mandis to understand the magnitude of loss, develop possible solutions, and map out relevant stakeholders for intervention.
- Explore the scope of adoption of an FLW protocol at the retail level. Engage with relevant retailers and initiate pilot studies to understand the impacts of innovative technological solutions, such as packaging solutions and pre-chilling.

PARTICIPANTS

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ABOUT WRI INDIA

World Resources Institute India is a research organization that turns big ideas into action at the nexus of environment, economic opportunity, and human well-being.

Our challenge

Natural resources are at the foundation of economic opportunity and human well-being. But today, we are depleting Earth's resources at rates that are not sustainable, endangering economies and people's lives. People depend on clean water, fertile land, healthy forests, and a stable climate. Livable cities and clean energy are essential for a sustainable planet. We must address these urgent, global challenges this decade.

Our vision

We envision an equitable and prosperous planet driven by the wise management of natural resources. We aspire to create a world where the actions of government, business, and communities combine to eliminate poverty and sustain the natural environment for all people.

Our approach

COUNT IT

We start with data. We conduct independent research and draw on the latest technology to develop new insights and recommendations. Our rigorous analysis identifies risks, unveils opportunities, and informs smart strategies. We focus our efforts on influential and emerging economies where the future of sustainability will be determined.

CHANGE IT

We use our research to influence government policies, business strategies, and civil society action. We test projects with communities, companies, and government agencies to build a strong evidence base. Then, we work with partners to deliver change on the ground that alleviates poverty and strengthens society. We hold ourselves accountable to ensure our outcomes will be bold and enduring.

SCALE IT

We don't think small. Once tested, we work with partners to adopt and expand our efforts regionally and globally. We engage with decision-makers to carry out our ideas and elevate our impact. We measure success through government and business actions that improve people's lives and sustain a healthy environment.



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