



Broadening the bridge

Overview

The need

In Hungary, the amount of surplus food offered by companies as a donation has increased from 4500 to 11000 tonnes over the past 2 years and is predicted to continue to increase [1]. However, it is becoming more and more difficult to increase the volume of food surplus redistribution to people in need. The main barrier is the capacity limit of the redistribution channel, particularly the financial and human resources of food banks and partner organisations.

The solution

Increased efficiency of existing food surplus redistribution channels was achieved by collaboration between public, private and NGO stakeholders. A cost model of the projected volume of food redistribution over the next 5 years identified a gap in funding.

The benefit

Food surplus redistribution increased by 144% and a model has been created for using FEAD funding to cover the costs of food surplus redistribution.

Increasing channel capacities in food surplus redistribution in Hungary, by establishing local public-private-NGO collaboration and securing additional funding.

The project was co-managed by the Hungarian Food Bank Association (HFBA), the biggest food surplus redistribution organisation in Hungary, and the Hungarian Ministry of Human Capacities (HMHC). The HMHC is responsible for all social affairs in Hungary, including the strategic management of social care networks, and management of the Hungarian operational program of the Fund for European Aid to the Most Deprived (FEAD).

Background

Food waste is becoming a central topic on the political agenda of many countries across the EU. In recent years, more and more companies from the food chain have started to donate their edible surplus food to food banks. Food banks are often considered to be “unlimited capacity” organisations, however, the capacity of a food bank is determined by available human resources and the amount of financial donations it receives.

Food banks, and partner organisations taking part in the redistribution process, offer food free of charge to people in need, therefore the cost of redistribution has to be externally financed. Financing is usually based on donations from private and public sources, but financial donations are often a fixed amount and do not increase in line with the overall volume of food that a food bank receives.

Food surplus redistribution is also labour-intensive and relies heavily on the work of volunteers. Despite the low salary costs, the number of volunteers at any one time changes frequently and this makes it difficult to assess the number of people that are required for given tasks which, in itself, can be a barrier to sourcing additional funding.

The lack of consistent financial and human resources means that food surplus redistribution can be delayed and inefficient. In Hungary, it has been suggested that if human and financial resources at food banks and its partner organisations do not increase, there will be a food surplus



“Food waste is one of the main concerns of modern society. It is positively imperative that we support initiatives aiming to redistribute food surplus and we are presently working on a feasible funding scheme. One good example is the Hungarian Food Bank Association that works to make surplus food available for people in need.”

Attila FÜLÖP - State Secretary for Social Affairs and Social Inclusion, Ministry of Human Capacities

bottleneck. Until now, the financial implications of this bottleneck had not been assessed.

What was the solution?

The first objective of the project was to analyse the “redistribution supply chain” and assess existing resource capacity of food banks, redistribution partner organisations, and local stakeholders. Once the resource capacity of existing sources was identified, any additional financial requirements were calculated. The secondary objective was to cost model additional financial requirements over the next 5 years so that projected food surplus redistribution demands are met. The financial modelling was also used to assess the feasibility of using additional funding sources for food surplus redistribution; including the use of EU FEAD funding.

Implementation and outcomes

The first part of the project involved analysis of existing and potential redistribution resources, primarily logistics capacities and human resources required to run the redistribution activities. A key finding of the analysis was the identification of 11 “white spots”. White spots are cities where food surplus has been offered in the past, but no organisation could be found to run the redistribution activities. One example in Hungary was the city of Paks, and so new food redistribution channels were established by creating a new cooperation among the local municipality, the public social care organisation

and local NGOs. None of these organisations were capable of establishing the redistribution chain on its own, but with the help of sharing resources (transportation, storage, human resources) a cooperative action could be started. The redistribution work in Paks was successful, saving on average 3500 kg food monthly and helping 800 people on a regular basis.

In addition, to meet food surplus redistribution demands, the first food bank outside Budapest was established in Debrecen, which is covering redistribution activities in the whole Hajdú-Bihar county. The food bank has 15 volunteers and provides on average 10,000 kg of food to 3,000 people on a monthly basis (Figure 1).



Figure 1 - Food ready to be redistributed as part of the redistribution capacity building project

As part of the project, workshops and interviews were held with experts from the social domain, both from the public and NGO side in 2 selected regions (Gödöllő, Miskolc). The workshops were aimed at collecting best practices in cooperations among the different stakeholders participating in the redistribution process with a view to understand the activities and resources of the public social care system, especially focusing on the potential integration of those into the redistribution activities. The best practices and knowledge collected from these workshops was also used in other parts of Hungary to create similar cooperations among the local redistribution actors and stakeholders (municipalities, social care organisations, NGOs).

The cost model of redistribution showed a 1:14 multiplication factor. This means that for every €1 of funding, €14 worth of food could be redistributed to people in need. This demonstrated that if FEAD funding were to be used in the redistribution process, there would be a high cost-benefit ratio.

The results of this project formed the basis for a funding proposal to the Hungarian Ministry. Based on the proposal The Hungarian Ministry for Human Capacity is currently planning to fund food redistribution activities in 2021-2027 using part of FEAD sources. Redistribution activities increased in Hungary by 144 % during the project, partly because of the knowledge transfer of the new learnings in the project.

Thoughts for the future

This project sits at the cross-section of the food waste domain where environmental and social interests are fully matching, and a public-private-NGO cooperation is fully possible. The knowledge and networks of the Ministry in the social care domain could be well matched with the network of the Food Bank in cooperation with donor companies. As such this had a huge



impact on the success of the project and future projects would do well to ensure the possibility of full cooperation between all actors.

There is a substantial amount of potential resources that are currently underutilised within the food redistribution chain. These resources can be used to their full potential through more effective cooperation between stakeholders, especially at a local level. Public-private-NGO cooperation was highly effective and mutually beneficial, but the initial set-up takes significant time and energy.

The project highlighted that even if extra resources are fully utilised in existing channels, the capacity limits still exist, and so it is critical that extra financial funds are raised to meet food surplus redistribution demands.

Finally, the cost model demonstrated that usage of FEAD funds is a logical and feasible solution, with a high cost-benefit ratio.

Overall, redistribution activities in Hungary increased by 144 % during the project, with new local food banks in other Hungarian counties also in planning stage.

"We are very happy to see food surplus donations increasing and more and more food companies willing to join the Food Bank's network. Although we see strong limits in our capacities, thanks to the project we also see now the possibilities of the future development of our activities"

Balázs Cseh, president of the Hungarian Food Bank Association

References

1. Magyar Elelmiszerbank Egyesület. (n.d.). Eredményeink. Retrieved March 6, 2019, from <https://www.elelmiszerbank.hu/hu/eredmenyeink.html>