



Ugly but tasty

REFRESH project promotes the sale and redistribution of “Perfectly Imperfect” fruit and vegetables in Hungary

Overview

The need

It is estimated that 1.8 million tonnes of food is wasted each year in Hungary [1]. Furthermore, despite the increased desire for healthy food, estimates of food waste occurring at pre-consumption stages remain high [2].

The solution

Through REFRESH two projects were developed to 1) sell “Imperfect” fruit and vegetables through retail channels, and 2) redistribute surplus fruit and vegetables through donations from wholesalers to food banks.

The benefit

The projects resulted in a reduction in food waste and increased the amount of food waste being diverted from less preferable waste management options to redistribution; providing highly nutritional food for people with low incomes.

The “Ugly but tasty” REFRESH project consists of two parts. The first part involved cooperation between the Hungarian Food Bank Association (HFBA) and TESCO Hungary. The second part was led by the HFBA in cooperation with the Budapest Wholesale Market (BWM). Both TESCO and the BWM are responsible for the sale of a variety of food products.

TESCO is a multinational food retail company with a strong presence in Central-Europe. They have more than 200 stores in Hungary, which combined serve approximately 3 million customers per week. In contrast, the BWM is the largest wholesale market in Hungary. The products offered by growers and wholesalers meet the demands of retailers six days a week. Fresh vegetables and fruits, mushrooms, eggs, honey, canned products, preserved food, sweets and refreshments can be purchased here throughout the year.

Background

Whilst direct measurements of food waste are not typically made across the supply chain in Hungary, it has been estimated that 1,8 million tonnes of food is wasted each year [3]. A significant proportion of this is expected to result from strict marketing standards which inhibit the sale of “imperfect” produce. Typically, this is due to quality reasons but in many cases products that are still fit for human consumption are sent to less preferable waste management options; such as animal feed, biomass or landfill. However, the number of projects addressing this food waste issue is still relatively low.

TESCO recognised this as a problem and in 2013 they started selling “Imperfect” fruit and vegetables within UK stores. As an organisation they are committed to tackling food waste. In Central Europe for example,



“We have a strong commitment to decrease food waste therefore we are measuring and taking actions in our daily operations and we are very glad our customers are also supporting our goals by participating in our program by buying Perfectly Imperfect fruit and vegetables”

– *Nóra Hevesi – Head of Communications and Campaigns at TESCO Hungary.*

TESCO became the first retailer to publish food waste data from their own operations. In addition, TESCO recently launched a Food Waste Hotline in Central Europe, which enables suppliers to communicate to TESCO about potential areas of food waste in the supply chain so that they can work with TESCO to address them.

Like TESCO, BWM is also very concerned about food waste and include the issue within their corporate social responsibility. Their focus has been to concentrate primarily on the free redistribution of unsold products in cooperation with the HFBA.

What was the solution?

Through REFRESH a two-part project was developed which aimed to take a “farm to fork” approach to food waste related activities in the fruit & vegetable sector. It was felt that the benefit of choosing this sector was that it has one of the shortest supply chains as it doesn’t include an industrial processing stage. The project focussed on lower quality products such as apples and carrots, to find possible channels for marketed (discounted sale) and non-marketed (free redistribution) surplus food.

The first part of the project focussed on ways to market surplus food. Following successful UK sales, in 2017, TESCO launched their “Perfectly Imperfect” campaign across their stores in Hungary. “Perfectly Imperfect” fruit and vegetables have “visual flaws” such as deformations or discolorations. Raising awareness and changing perception can help to convince consumers that taste is unaffected by visual defects. “Perfectly Imperfect” apples, carrots, avocados, garlic and potatoes were sold in stores throughout the year whilst cucumbers, pears, limes, California paprika and sweet potatoes were sold seasonally. In addition, TESCO also decided to increase the number of their stores which offered food surplus donations; in line with their target for all Central European stores to offer food surplus donations by 2020.

The second part of the project focussed on ways to redistribute surplus food at the Budapest Wholesale Market. Producers and wholesalers were approached



and offered an easy way to donate their unsaleable, but edible, surplus food. Donations were channelled into the redistribution network of the HFBA.

"Sustainability is an important issue for the Budapest Wholesale Market. We are glad we can cooperate with the Hungarian Food Bank Association in reducing food waste by offering an easy donation option for our partners who are the biggest Hungarian fruit and vegetable producers, wholesalers and retailers!"

—Zoltán Klucsik, Development Director of the Budapest Wholesale Market

Implementation

In 2016, TESCO's purchasing department selected initial suppliers for their "Perfectly Imperfect" product line in Hungary. Once the suppliers had been selected, TESCO developed and ran marketing and communication activities (Figure 1) aimed towards customers to promote their upcoming product line; launching the "Perfectly Imperfect" range (Figure 2) across Hungary in January 2017. Throughout 2017 and 2018 TESCO continued to evaluate their food waste, sales and customer feedback via internal audits and consumer research activities.



Figure 1 - A communication campaign used by TESCO to highlight their new "Perfectly Imperfect" product range



Figure 2 - "Perfectly Imperfect" bagged carrots to be sold in TESCO Hungary stores

At the BWM a tempered container (Figures 3 and 4) was installed at a new food surplus collection point in June 2017. Producers and wholesalers were approached via the BWM electronic newsletter and by personal visits at the market to inform them about the new food surplus collection point. Promotion of the redistribution activity was also carried out during events organised by BWM (e.g. [the Night of the Market](#)). Donations were measured and documented, and the container was emptied each day when surplus was offered, and the contents donated to the Hungarian Food Bank Association.



Figure 3 - The tempered container used to store surplus food at the Budapest Wholesale Market



Figure 4 - Surplus food inside the tempered container, ready for redistribution

Outcomes

Throughout 2017 and 2018, “Perfectly Imperfect” products were offered across 112 TESCO stores in Hungary. In total, this prevented 2,900 tonnes of edible food from being unnecessarily discarded. In addition to the sale of “Perfectly Imperfect” products TESCO continued to redistribute unsold food to the Hungarian Food Bank Association. In total TESCO donated 7364 tonnes of fruit and vegetable food surplus from its Hungarian stores during 2017/2018.

Following the implementation of the tempered container, the BWM collected about 40,000 kg for redistribution (between June 2017 and March 2018). Donations were distributed to 150,000 people in need in Hungary by the network of the Hungarian Food Bank Association.

Both projects were successful, and communication of the activities increased general awareness about the issue of food waste in Hungary.

Thoughts for the future

The inclusion of a “Perfectly Imperfect” fruit and vegetable range in TESCOs stores shows these products are well accepted by Hungarian customers and suppliers are interested and willing to cooperate long-term in providing products at a discounted price.

In relation to the redistribution activities, it should be recognised that whilst involvement of new donors among fruit and vegetable producers and retailers in the redistribution activities was successful, it is a slow process and requires significant



time and effort. Nevertheless, feedback from recipients of food donations was very positive and the high nutritional value of the products is improving the lives of people in need.

Both TESCO and BWM plan to continue their activities beyond REFRESH. TESCO is willing to continue the sales of their “Perfectly Imperfect” product line, whilst BWM continue to use the tempered container to redistribute food and are planning to maintain and develop their redistribution activities.

References

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