
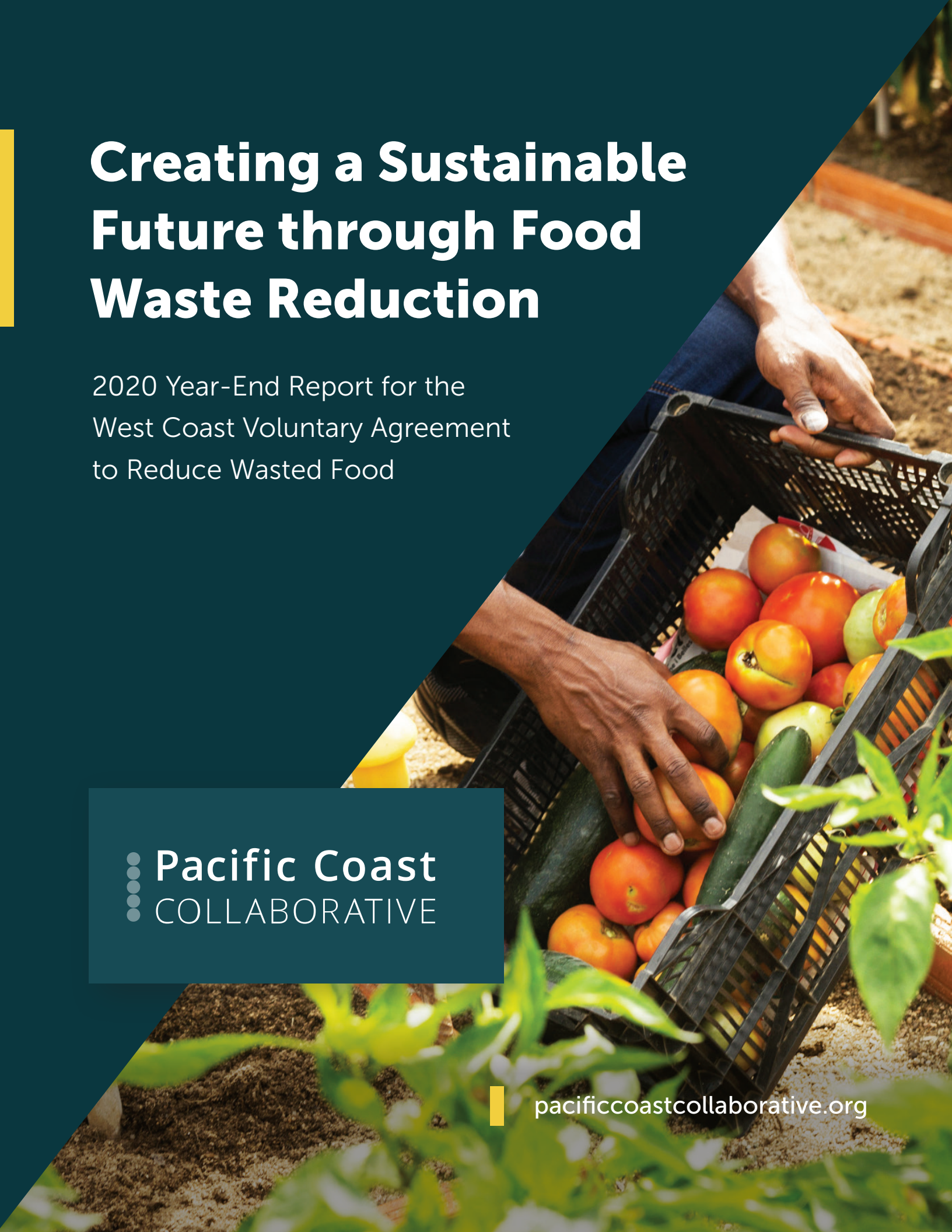


Creating a Sustainable Future through Food Waste Reduction

2020 Year-End Report for the
West Coast Voluntary Agreement
to Reduce Wasted Food

 **Pacific Coast**
COLLABORATIVE

 pacificcoastcollaborative.org



Acknowledgments

The Pacific Coast Collaborative Food Waste Working Group could not accomplish our work without the generous support of our funders:



We are also grateful for the financial support provided by many of the PCC's jurisdiction members. (For a full list of these members, see page 5)

About the Pacific Coast Collaborative

The Pacific Coast of North America represents the world's fifth-largest economy, a thriving region of 55 million people with a combined GDP of \$3 trillion. Through the Pacific Coast Collaborative (PCC), British Columbia, Washington, Oregon, California, and the cities of Vancouver, BC, Seattle, Portland, San Francisco, Oakland, and Los Angeles are working together to build the low-carbon economy of the future. Formed in 2008, PCC has established ambitious goals for reducing greenhouse gas emissions (GHGs) by at least 80 percent by the year 2050 through the transformation of energy systems, buildings, and transportation, and through food waste

management – all of which is a model for national and global action.

The PCC leverages the leadership and ambition of its partners along the West Coast, working across geographic borders and vertically among city, state, and provincial governments to support and strengthen our collective efforts. Together, we are creating great places to live, work, and start and grow businesses – all while reducing harmful greenhouse gas emissions and protecting the natural resources that draw people from all over the world to the Pacific Coast region.

The Food Waste Opportunity

In the United States, 35% of food goes unsold or uneaten. It has enormous impacts on the environment – consuming cropland, freshwater, and other natural resources, while contributing approximately 4% of all U.S. greenhouse gas emissions. Food waste also affects the economy – new estimates put the cost of food waste in the Pacific Coast region alone at more than \$65 billion, which is shouldered by businesses and consumers alike. And in 2020, COVID-19 brought the issue of food waste to national attention, as pandemic-related disruptions and bottlenecks caused spikes in the amount of loss and waste throughout the supply chain.

A Commitment to Sustainable Change

Creating a less wasteful and more sustainable food system from farm to final sale provides an opportunity to make significant reductions in carbon emissions and contribute to the health and economic success of the West Coast region. The PCC Food Waste Reduction Project began in June 2016, when the PCC entered into the Pacific North American Climate Leadership Agreement (PNACLA) – committing to advance organic waste prevention and recovery initiatives to reduce carbon emissions from the region's food waste stream – which spurred the creation of the PCC Food Waste Working Group.



"Kroger was excited to join the PCC to help drive our social impact plan, Zero Hunger | Zero Waste. We know it will take more than our stores to end food waste. The PCC allows us to join forces with industry partners and experts with a common goal of reducing the impact of food waste in our communities."

Kari Armbruster, Zero Hunger | Zero Waste Program Lead, The Kroger Co.

At the Global Climate Action Summit in September 2018, PCC partners invited U.S.-based leaders from food product and retail industries to collaborate with area jurisdictions in a public-private commitment to cut the amount of wasted food in half by 2030 – a success metric aligned with United Nations Sustainable Development Goal 12.3 and other global, national, and regional commitments.

To assist in moving the initiative forward, the PCC Food Waste Working Group established

collaborations with World Wildlife Fund (WWF), ReFED, and WRAP as resource partners to provide expertise, additional philanthropic funding, and capacity for implementation. Cascadia Policy Solutions serves as facilitator of the PCC Food Waste Working Group and has provided foundational and ongoing critical support to the Pacific Coast Collaborative since 2011.

Delivering SDG 12.3:
A 50% reduction in food waste by 2030

GLOBAL

SUSTAINABLE DEVELOPMENT GOALS

CHAMPIONS 12.3



Food and Agriculture Organization of the United Nations



Food Loss Index
Food Waste Index



NATIONAL / REGIONAL



Circular Economy:
Closing the Loop

DENMARK
AGAINST
FOOD WASTE

Driving impact through collaboration.

While all PCC jurisdictions and cities have worked independently on reducing wasted food in the preceding years, including diverting wasted food from landfills and launching composting initiatives, the Food Waste Working Group can lead to additional impact through:

Achieving Prevention at Scale: Food waste prevention provides the highest potential for the reduction of greenhouse gas emissions, but it requires collaboration on a larger scale and is unachievable without the involvement of influential food businesses, coordination and communication across the region, and the sharing of implementation costs among city, state, and philanthropic funding sources. Participation in the PCC Food Waste Reduction Project is explicitly written into the strategic plans of many jurisdictions and departments for the reduction and prevention of wasted food, and it is an important part of reaching this regional goal.

Sharing Knowledge and Best Practices: The sharing of best practices for reducing wasted food and building upon successes among cities and states increases the potential for regional success. Working groups are the backbone of the project and are composed of signatories, jurisdictions, and engagement partners (e.g., trade bodies and technical experts) to facilitate ongoing dialogue and the dissemination of insights and best practices.

Attracting More Funders to the Cause: Many funders see this work as a priority and have sought out the Project to provide grant funding. The Bullitt Foundation, Crown Family Foundation, The Rockefeller Brothers Fund, The Rockefeller Foundation, and the Wiancko Family Foundation have contributed nearly \$1 million to the Project since 2018.



West Coast Voluntary Agreement to Reduce Wasted Food

The PCC's West Coast Voluntary Agreement to Reduce Wasted Food was launched in 2020 to support the food industry in achieving its reduction goals – including meeting interim benchmarks – by targeting, measuring, and acting on its food waste.

The West Coast Voluntary Agreement is based on a commitment from all participating businesses to:

- + Support and play a part in achieving the West Coast's regional goal of reducing and preventing wasted food by 50% by 2030;
- + Annually measure and report food waste reduction data to ReFED for ongoing analysis;
- + Take actions to reduce food waste, with an emphasis on prevention-related solutions;
- + Share existing food waste reduction plans or create and implement new ones;
- + Collaborate with other private and public partners participating in the PCC Food Waste Reduction Project, with the option to participate in working groups.



A Focus on Retail

Our signatory recruitment efforts for the first year of the Voluntary Agreement focused on retailers, since their central role in the supply chain means they can connect with producers and manufacturers further upstream, as well as consumers downstream. As such, they have a unique opportunity to implement food waste reduction initiatives that will affect their own operations, and they can also influence – directly and indirectly – other food system stakeholders to take action. In 2019, at ReFED's annual Food Waste Summit, the PCC announced the Agreement's first signatories, which represented

some of the largest retailers in the region based on market share – Albertsons Companies' West Coast divisions (which includes Albertsons, Safeway, Vons, and Pavilions stores), and The Kroger Co. – as well as New Seasons Market and PCC Community Markets.

Global Alignment

The West Coast Voluntary Agreement shares the same long-term 50% reduction objective as other agreements around the world. Because these initiatives have the same target, the same definition of food waste, and are committed to the rigorous reporting of data, PCC partners are increasing collaboration across all of these initiatives, including the sharing of related insights, to maximize the associated synergies – notably, the West Coast Voluntary Agreement was highlighted in South Africa and was mentioned in the latest “Courtauld Commitment” report in the UK.

JURISDICTIONS

California, Oregon, Washington, British Columbia
Cities of Seattle; Portland; San Francisco; Oakland;
Los Angeles; Vancouver, BC



RESOURCE PARTNERS




SIGNATORIES



2020 Progress and Accomplishments

The PCC uses the “Target-Measure-Act” framework established by the World Resources Institute for the global Champions 12.3 initiative to structure its food waste reduction activities:

- + **Target:** Setting ambitious food waste reduction targets that are aligned with Sustainable Development Goal 12.3;
- + **Measure:** Implementing a streamlined methodology for measurement – including anonymized reporting and individual dashboards – to help businesses across the food supply chain reduce waste and better identify areas to target for action; and
- + **Act:** Driving industry progress through sharing best practices, leading demonstration projects, and providing technical assistance related to policy, financing, business solutions, and education.

A woman with brown hair, wearing a white short-sleeved shirt and a green apron, is looking down at a black tablet computer. She is standing in a grocery store aisle, surrounded by fresh produce like green beans and leafy greens. Several small black price tags are visible on the produce.

“**Target-Measure-Act**” helps drive action that’s focused where it’s needed most and backed up by data.

Highlights for 2020 include:

Target

Our first-year recruitment goal was to sign on retailers representing at least 50% total market share of U.S.-based businesses – those retailers would then each work to reach the target of a 50% food waste reduction. The year began with the commitment of four retail signatories – The Kroger Co., Albertsons Companies, New Seasons, and PCC Community Markets. By the end of the summer, Sprouts Markets had joined the Voluntary Agreement, and in the fall, California grocer Raley's signed on. Through these retailers, the PCC's impact will reach more than 1,700 stores across Washington, Oregon, and California.

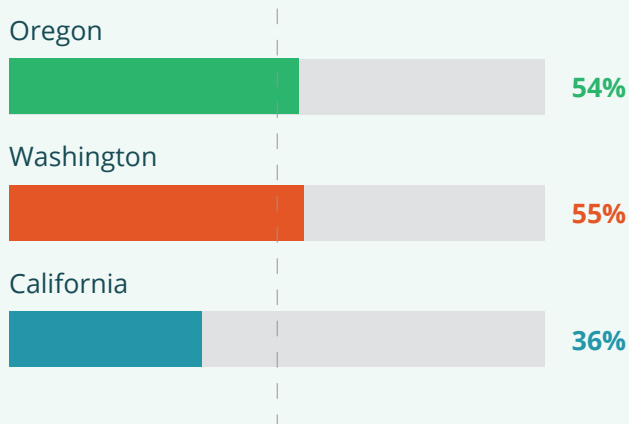
Total 2020 signatory market share was 41% – 18% shy of our first-year goal. We reached the 50% threshold for market share in Oregon (54%) and Washington (55%), but California ended the year at 36%. Public reporting will be possible once the 50% threshold is reached across the region, which is a top priority goal for 2021.

Tools and resources. A number of tools were created in 2020 to assist signatories with integrating the Voluntary Agreement into their food waste prevention efforts, including an Onboarding Guide and Retail Toolkit. Onboarding consisted of four meetings over 12 weeks to help new signatories become familiar with the expectations of the Voluntary Agreement; learn how to use the ReFED Grocery Retail Calculator, a special tool designed to simplify and standardize

food waste reduction data at the retail level; form Food Waste Action Teams within stores; and address questions or related challenges. The Retail Toolkit was designed for grocery retailers that do not already have resources to implement food waste prevention practices on their own. The toolkit includes: Associate and Customer Food Waste Prevention marketing materials; store audits and checklists to monitor food waste prevention and reduction practices; a membership indicator to be placed at store entrances; a donation guide; a produce resource guide; a best practices depository; and more.

2020 SIGNATORY MARKET SHARE

Goal: Sign on retailers representing at least 50% total market share of U.S.-based businesses



Measure

The collection of data is critical for food waste reduction initiatives to establish a baseline for improvement, for the ongoing monitoring of progress, to identify hotspots that need action, and to highlight successes that can be replicated. To ensure that food business signatories have access to the insights they need to guide their efforts as part of their Voluntary Agreement commitment, the PCC released the ReFED Grocery Retail Calculator for streamlined data collection, analysis, and reporting among Voluntary Agreement signatories. ReFED led the development of the Retail Calculator, with collaboration and support from the PCC's other resource partners and jurisdictions, as well as the World Resources Institute, the US Environmental Protection Agency, the US Department of

U.S. Grocery Retail Food Loss and Waste Calculator v1.0.0

ReFED

INTRO REQUIRED INPUTS CONFIGURATION GUIDANCE DASHBOARD REPORT

The Food Loss and Waste Accounting Reporting Standard requires removing the weight of packaging and inedible parts from the weight of food loss and waste. Inedible parts refers to the parts of food that are not typically intended for human consumption (e.g., bones, pits, rinds). The calculator automatically uses these conversion factors to remove packaging and inedible parts for your business. For additional guidance on alternative approaches, visit the Tools & Resources section of the FLYN Accounting Reporting Standard website: <https://www.flynnreporting.org>

Prices, Packaging, and Inedible Parts

Click here to see the Guidance if you have questions

| FOOD DEPARTMENT | AVERAGE RETAIL \$ PER LB OF FOOD | AVERAGE LBS PACKAGING PER LB OF FOOD | AVERAGE LBS INEDIBLE PARTS PER LB OF FOOD |
|--------------------------|----------------------------------|--------------------------------------|---|
| ALL FOOD | \$2.31 | 7.0% | 4.0% |
| PRODUCE | \$1.07 | 1.10% | 22.22% |
| FRESH MEAT & SEAFOOD | \$4.40 | 8.91% | 14.77% |
| DAIRY & EGGS | \$1.28 | 3.47% | 0.81% |
| BREADS & BAKERY | \$2.38 | 4.14% | 0.06% |
| DRY GOODS | \$1.19 | 10.30% | 0.06% |
| FROZEN | \$2.38 | 0.94% | 0.81% |
| DELI & PREPARED FOODS | \$5.09 | 0.94% | 3.03% |
| READY-TO-DRINK BEVERAGES | \$0.16 | 4.24% | 0.06% |

U.S. Grocery Retail Food Loss and Waste Calculator v1.0.0

ReFED

INTRO REQUIRED INPUTS CONFIGURATION GUIDANCE DASHBOARD REPORT

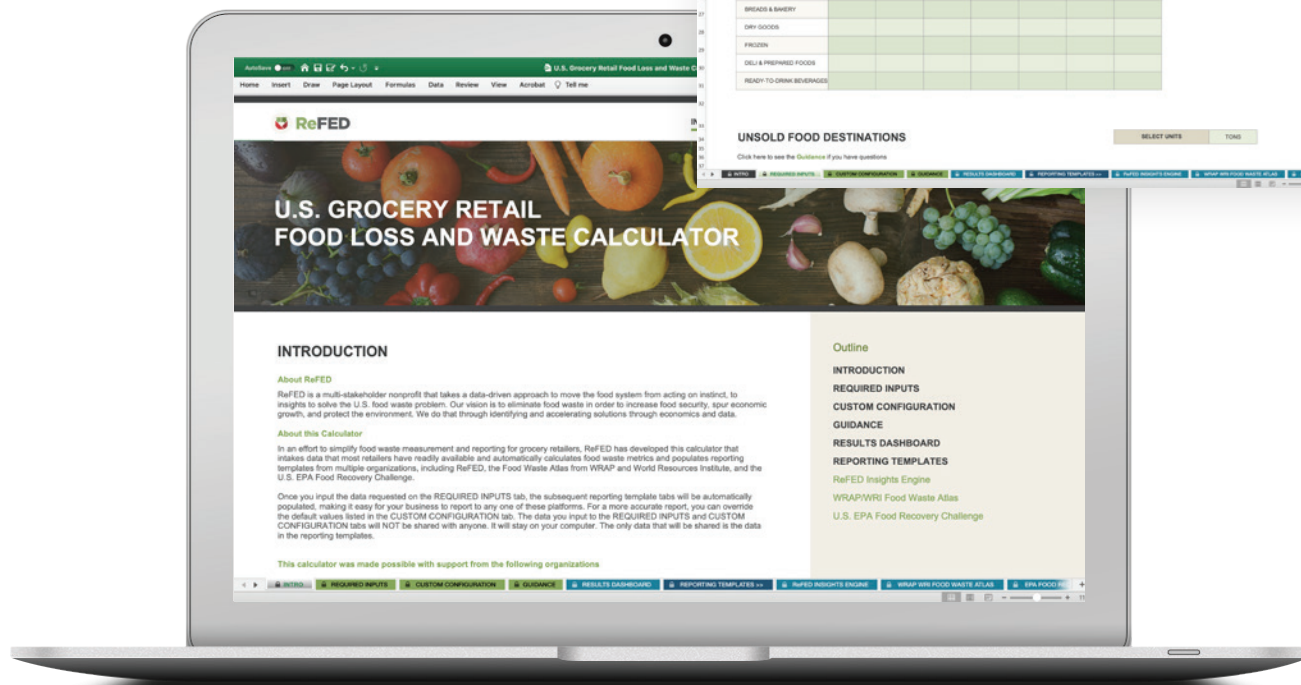
PURCHASES, SALES, AND INVENTORY

Click here to see the Guidance if you have questions

| FOOD DEPARTMENT | SUPPLIER PURCHASE ORDERS | | SALES | | INVENTORY | |
|--------------------------|--------------------------------|----------------------------------|--------------------------------|-----------------------------|-------------------------|--|
| | \$ COST DELIVERED BY SUPPLIERS | \$ COST PURCHASED FROM SUPPLIERS | UNITS PURCHASED FROM SUPPLIERS | \$ RETAIL SOLD TO CUSTOMERS | UNITS SOLD TO CUSTOMERS | \$ COST IN INVENTORY AS OF JAN 1, 2019 |
| PRODUCE | | | | | | |
| FRESH MEAT & SEAFOOD | | | | | | |
| DAIRY & EGGS | | | | | | |
| BREADS & BAKERY | | | | | | |
| DRY GOODS | | | | | | |
| FROZEN | | | | | | |
| DELI & PREPARED FOODS | | | | | | |
| READY-TO-DRINK BEVERAGES | | | | | | |

UNSOLED FOOD DESTINATIONS

SELECT UNITS TONS



Agriculture, professional services firm Deloitte, data consultant Quantis, and the City of Vancouver, BC.

The Grocery Retail Calculator provided an easy way for retailers to upload waste-related data in a standardized format, making it comparable across stores and businesses. The Calculator is specially designed to protect and limit the sharing of proprietary information from food businesses. It also connects them to other reporting forms – such as the EPA’s 2030 Champions and Atlas – and can even pre-populate with relevant information. The same calculator will also have use outside the PCC, serving as a resource for food businesses anywhere in the U.S. to report food waste data, which is one example of how this PCC initiative offers improvements for the whole sector, not just within the region. Moving forward, calculators will be developed for additional sectors, beginning with manufacturing in 2021.

Establishing baseline data. While the retail signatories are still reporting their 2020 numbers via the Grocery Retail Calculator, the PCC used data from ReFED’s Insights Engine – an online hub for food waste data and solutions built from more than 50 public and proprietary datasets – to establish regional baselines to inform the efforts of the Food Waste Working Groups. Moving forward, retail signatories have the opportunity to add anonymized data to the Insights Engine to further refine these estimates; granular data at the retailer level can be extrapolated to the entire sector and paint a comprehensive picture of the extent and impact of the signatories’ waste reduction efforts.



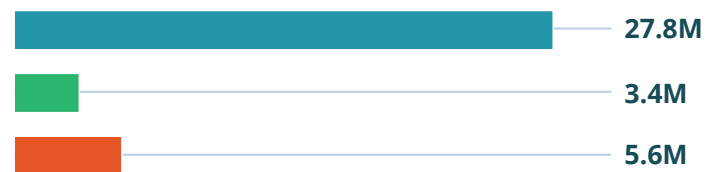
Total Food Waste (tons)

Total in each state in 2019



GHG Emissions (MT CO2e)

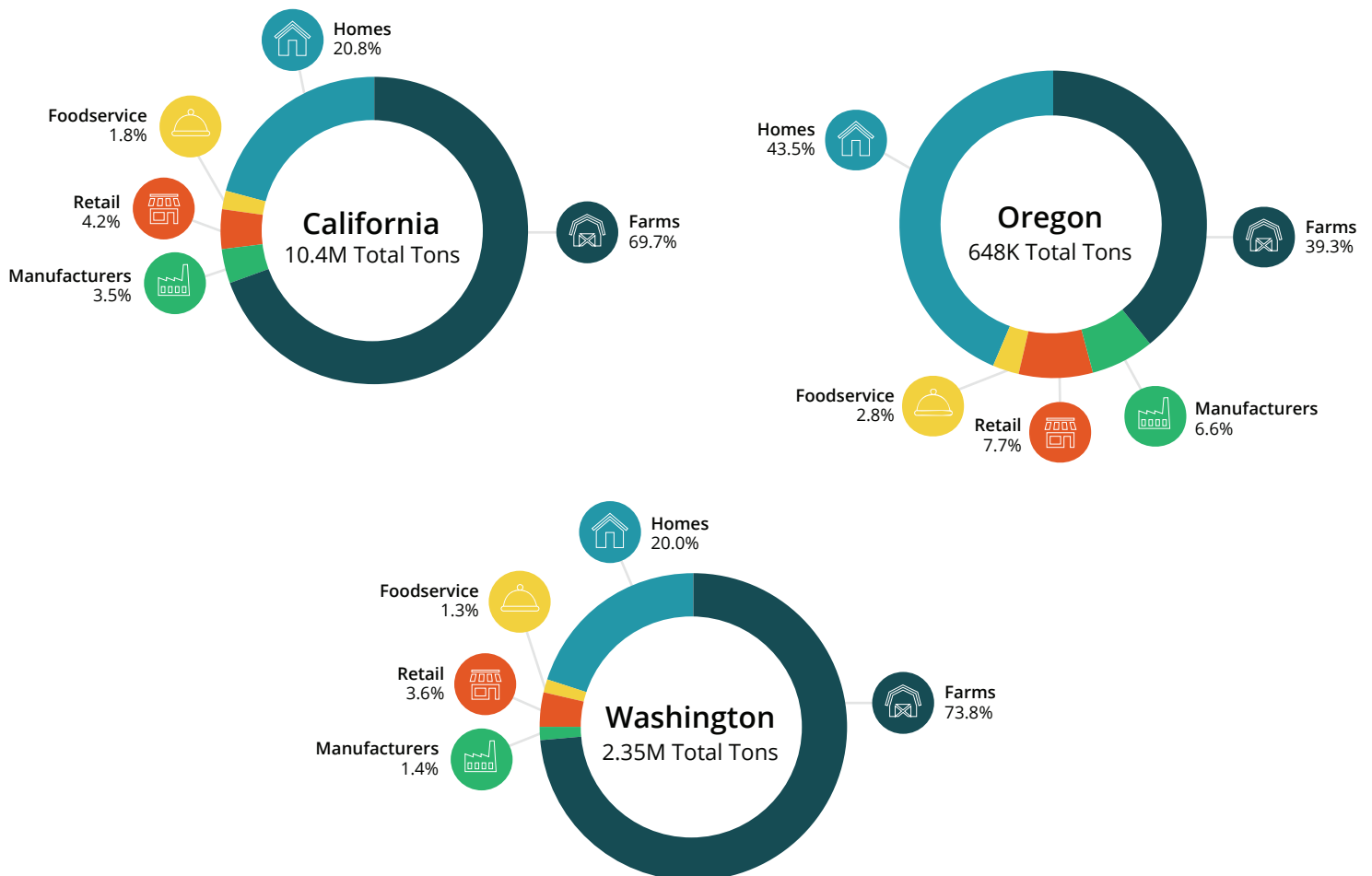
Total in each state in 2019



● California ● Oregon ● Washington

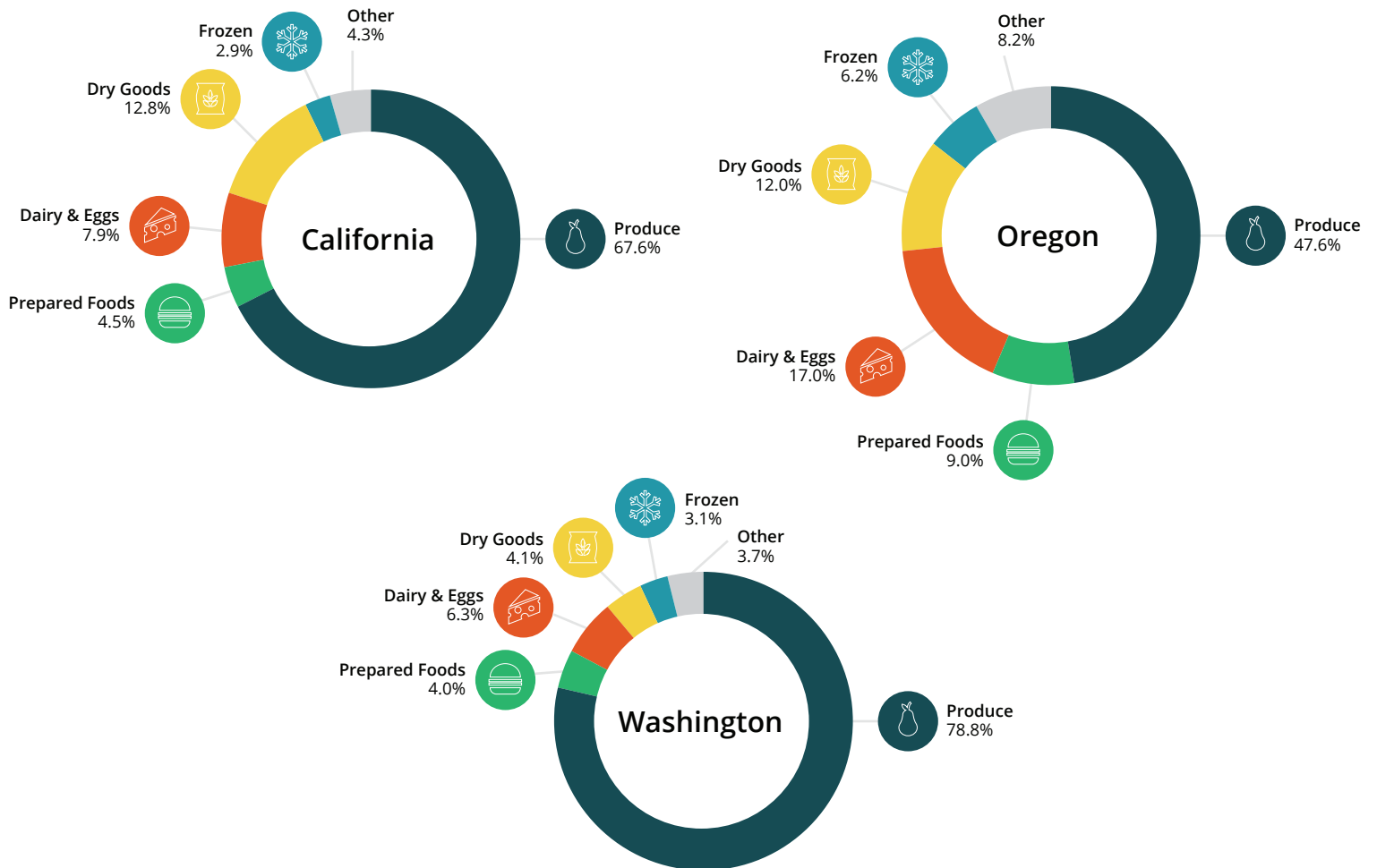
Waste by Sectors

Percentage for each state in 2019



Waste by Food Type

Percentage for each state in 2019



Act

A key goal of the Voluntary Agreement is to use the additional insights that come from the measurement and reporting of data to drive change via real on-the-ground impact. Some businesses have expressed frustration about the burden of reducing food waste on their own, and many have requested support and commitment from government partners to bolster business food waste reduction efforts. The West Coast Voluntary Agreement is centered around public-private partnerships – a model followed by existing food waste reduction agreements that have shown successful outcomes and which demonstrate government's commitment to help drive change. The Voluntary Agreement features opportunities for businesses to engage in direct contact with government officials in a safe and constructive environment.

Engaging through working groups.

Following the format used in the Courtauld Commitment in the UK, working groups were established in 2020 to identify sector-wide challenges that contribute to food waste along with solutions to overcome them. The first working groups focus on Dairy and Produce, as these areas were identified as having the most waste along with the biggest carbon reduction potential.

Unique to this Voluntary Agreement is the Policy Roundtable, which provides signatories the opportunity to speak directly with policy teams from the jurisdictions about specific legislation that is relevant to food waste reduction best practices. Similar to the product-focused



working groups, the Policy Roundtable provides a safe environment that encourages frank but constructive discussions. In 2020, two policy meetings were held, the first of which introduced the concept of the roundtable and the second of which specifically focused on policies in California.

The COVID-19 Challenge

As it has around the world, the coronavirus pandemic caused significant challenges to this effort. COVID-19 upended the entire food system during the first half of the year, with many businesses struggling to adapt their operations in response. Retailers in particular faced unexpected upticks in demand, as consumers rushed to stock up and make bulk purchases to limit their trips to the store; as such, many retailers found it difficult to accurately order correct amounts of stock. (It's important to note that many retailers continued their donations to foodbanks and other relief agencies during this period, as well as repurposed food from industrial uses to consumers, all of which helped reduce waste.) Additionally, PCC jurisdiction partners have struggled with reduced revenue, furloughs, and increased hurdles to supply the project with the grant funding needed to make significant progress.

COVID-19 had a significant impact on achieving the original recruitment goals established by the PCC Steering Committee at the start of the year, and in March, the resource partners revised the 2020 Work Plan to halt recruitment and engagement activities through the summer to provide space for existing and potential signatories as they dealt with the pandemic in their sectors. As one example of the challenges, during the early months of the year, Green Zebra, a small grocer in Portland, signed on to the Voluntary Agreement, but they were forced to step away due to a company restructuring in response to COVID-19.

While the full impact of COVID-19 is not yet known, preliminary data show that the **early days of the pandemic led to sharp upticks in food going to waste.**



While active recruitment was paused, the resource partners developed the Onboarding Guide and Retail Toolkit, while also conducting hyper-focused recruitment to reach retailers where discussions were already ongoing. This strategy was successful in bringing on the grocers Sprouts Markets and Raley's. For current signatories, engagement was drastically reduced until early fall, when retail bandwidth had increased. The onboarding process was also rearranged to be flexible for each individual signatory, with three of the six signatories able to fully complete the onboarding process in 2020.

The COVID-19 pandemic has created unprecedented awareness of the gaps in the food system and the need to reduce wasted food to feed hungry people and to accelerate and scale our response to a changing climate. Moving forward, the PCC is committed to exploring and generating effective responses to the shock that COVID-19 has generated in the food system through the following actions:

Implementing Strategic Improvements:

The PCC is committed to working through pre-competitive working groups of business signatories and government partners to implement solutions to food system inefficiencies.

Exploring Farm and Supply Chain Solutions:

We are working to connect state departments of agriculture to discuss food rescue and provide analysis of interventions that have taken place as a result of COVID-19 (e.g., USDA Farm Box, re-configuration of food distribution, etc).

Funding for Critical Food Rescue Activities and Organizations:

PCC partners from British Columbia, Washington, Oregon, Alameda County, and the cities of San Francisco, Los Angeles, and Vancouver, BC, worked within their respective jurisdictions to direct funding towards food rescue responses as a result of increased need during COVID-19. This included \$3 million directed to food banks from the British Columbia Ministry of Environment, and many grant programs providing emergency funds at the city and county level.

Increasing Connection with Food Rescue

Roundtables and Efforts: Each jurisdiction has distinct needs and systems for responding to food insecurity. Jurisdiction partners collaborated with other departments, agencies and organizations addressing food rescue in their area, including food banks, emergency response efforts, restaurants and hospitality businesses, and existing governmental food rescue programs.



Looking Ahead

The PCC Food Waste Working Group is looking forward to a successful 2021 that includes:

More signatories. In 2021, the resource partners will continue to recruit grocery retailers in an effort to reach the 50%+ reporting threshold. This will be executed in two parallel efforts — large business recruitment, to reach those retailers with a strong presence in the area, along with local engagement to connect with smaller businesses that may be more ingrained into the local community.

New Sectors. This year focused on retailers, because of the unique role they play at the center of the food supply chain. In 2021, our efforts will expand to include manufacturers. Food waste is generally slightly higher in manufacturing, with the vast majority coming from byproducts and production line waste, but solutions can have an outsized impact at this stage.

Pilots from working groups. Case studies from the Dairy and Produce Working Groups are slated to be executed over the spring and summer months, with the resulting learnings informing pilot-testing to be instituted by retail signatories in the Q3 timeframe. We hope to have some preliminary information from those pilots by the end of 2021. Additionally, we are exploring developing new groups with a focus on Meat and Bakery.

Increased business data reporting. As the challenges from COVID-19 are addressed and businesses are able to focus more of their attention to food waste reduction, we expect to see increases in the amount of new data being reported with the Retail Calculator. We'll also be introducing a new version of the calculator for reporting by manufacturers.



More collaboration with other food waste initiatives. Around the world, there are several initiatives similar to the West Coast Voluntary Agreement that are working to minimize food loss and waste. Resource partner WRAP is leading several other food waste minimization projects, so it has been able to share insights and findings from these other initiatives – relevant insights from the UK’s Courtauld Commitment are already impacting the delivery of the West Coast Voluntary Agreement, including the working groups. It’s important to note that collaboration is not just restricted to other voluntary agreements. The PCC is also engaging with other NGOs with similar objectives. Through collaboration, we are sharing effective strategies and tactics, learning from challenges, and driving faster, higher-impact change.

“Raley’s is pleased to be a member of the Pacific Coast Collaborative. As a member we have been able to collaborate in a substantive way with some of the best grocery retailers on the West Coast to address food waste, the single largest contributor to manmade greenhouse gas emissions.”

*Mark Koppang, Corporate Director
of Sustainability, Raley’s*



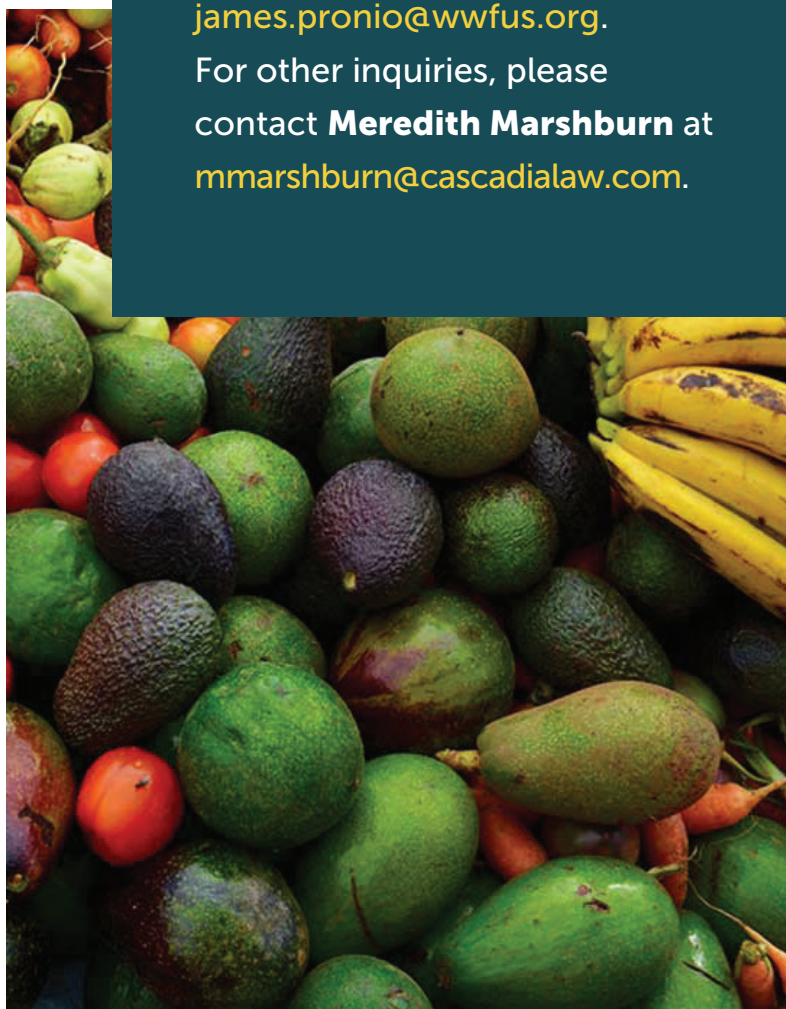
From Awareness to Action

While specific impacts of food waste aren't always completely understood – simply because it affects so much on an environmental, social, and economic level – people generally understand that food waste is wrong. The challenge is to move from awareness about the problem to effective action to overcome it.

Food waste happens throughout the food system, so the responsibility to reduce it falls on multiple actors. Food businesses understandably play a large role, but government policy is an important lever that can spark greater results. The Food Waste Working Group was implemented to leverage the public-private collaboration that has become a hallmark of all PCC initiatives as a way to reduce the burden placed on businesses as they implement efforts to act on the food waste problem.

We are excited about the progress made so far despite the challenges the initiative faced this year, and we are looking forward to expanding our efforts in 2021.

If you are a food business interested in joining us, please contact **James Pronio** at james.pronio@wwfus.org. For other inquiries, please contact **Meredith Marshburn** at mmarshburn@cascadialaw.com.





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