European Food Banks are a critical lifeline to promote access to food

Impact of the socio-economic crisis on FEBA Members

ASSESSMENT JANUARY – DECEMBER 2022

1. Introduction

No one should have to face the decision between heating their homes and purchasing food or between paying the electricity bills and buying fresh fruits and vegetables. However, when socio-economic circumstances lead to these scenarios becoming a reality, Food Banks are crucial actors to alleviate the pressure felt by charitable organisations providing food assistance to the most vulnerable of our societies.

Yet, high inflation rates and simultaneously increasing expenses neither let those untouched that are trying their best to assist them and thus, **Food Banks encountering budgetary challenges find themselves in a quandary**: while the **demand for food from charitable organisations and the number of end beneficiaries are rising** in the majority of European countries, soaring costs of vehicle fuel and electricity needed to efficiently and safely recover and store especially perishable items force Food Banks to **scale down their operations or prevent them from keeping up with spiralling needs**.

Aiming to disclose the impact of the challenging socio-economic circumstances on FEBA Members by giving **evidence-based insights into the repercussions of the cost-of-living crisis**, on the one hand, on the **operations of Food Banks** and, on the other hand, on **the profile of end beneficiaries** supported through charitable organisations, the European Food Banks Federation (FEBA) drafted and circulated to its members a tailored, comprehensive survey in March 2023.

The results of the aggregated and analysed quantitative and qualitative data summarised in this report are based on the experience of FEBA Members working daily to recover, collect, and redistribute food[1] to a network of charitable organisations providing food assistance to people in need in Europe. The gathered information refers to the period from January to December 2022 and is based on the responses of 27 FEBA Members (Fig. 1).[2]

Key-findings: Impact of the socio-economic crisis on FEBA Members

1. **Impact of cost-of-living crisis on daily activities: a major concern for 88.9% of European Food Banks.**
2. **European Food Banks are doing everything they can to source more food, but it is not enough to satisfy the raising demand from charities**
3. **Donations to European Food Banks cannot keep up with spiralling costs of daily activities**
4. **A new group at risk: gainfully employed persons who cannot make ends meet due to the ongoing pressures of the cost-of-living crisis**

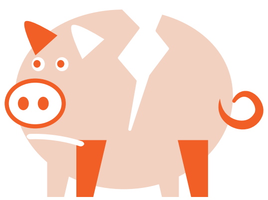
[1] In addition to surplus food from the food supply chain, FEBA Members also redistribute food from EU and/or national programmes such as the Fund for European Aid to the Most Deprived (FEAD) and REACT-EU, the EU Fruits and Vegetables withdrawal scheme, as well as from individual and corporate food collections.

[2] No replies were provided by FEBA Members in Malta, Poland, and Slovakia.

Fig. 1. Overview of FEBA Members replying to the survey

2.

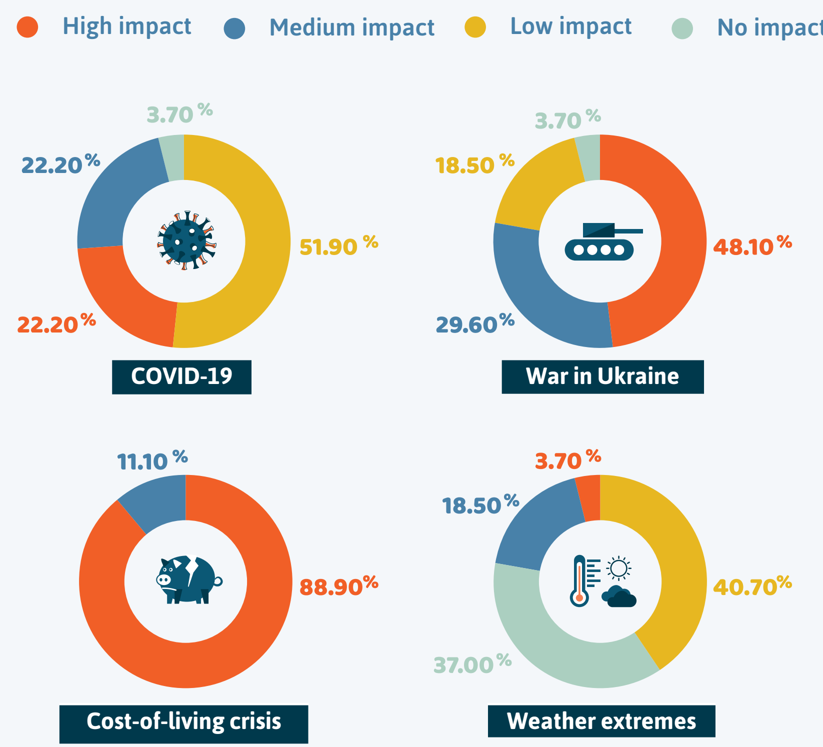
Assessing the repercussions of the socio-economic crisis on Food Banks' daily operations



Impact of cost-of-living crisis on daily activities: a major concern for 88.9% of European Food Banks

For **88.9%** of FEBA Members, the **cost-of-living crisis is at the forefront of factors strongly affecting daily activities**. The remaining 11.1% noticed a medium impact. The **war in Ukraine** and its direct and indirect effects are considered by **48.1%** of the respondents as having a high impact on **Food Banks' operations**, while the COVID-19 pandemic seems to be a "business as usual" concern for Food Banks in 2022, as visible in Fig. 2. The latter development indicates the ability of European Food Banks to cope with unprecedented challenges by adapting their activities to volatile circumstances flexibly and creatively.

Fig. 2. Impact of external factors on Food Banks' operations in 2022

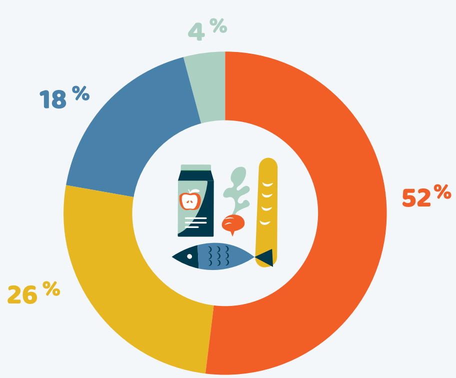


European Food Banks are doing everything they can to source more food, but it is not enough to satisfy the raising demand from charities

While **51.9%** of respondents (14 out of 27 FEBA Members) declare that the **total quantity of surplus food recovered from the food supply chain increased**, 25.9% report that the volumes remained stable in comparison to 2021. **18.5%** report **a decrease** (Fig. 3).

Surplus food is edible and safe food that for various reasons is not purchased or consumed by customers or people for whom it was produced, processed, distributed, served or purchased. Being a business-friendly, environmentally sensitive, and socially responsible alternative, **food donation is the best destination when surplus food occurs** because it ensures the highest value use of edible food resources for human consumption.

Fig. 3. Evolution of total surplus food quantity recovered in 2022 (compared to 2021)



An in-depth look at the **different stages of the food supply chain** shows that the evolution of volumes is not uniform – neither comparing the sectors nor regarding the analysed countries. The following observations can be made:[3]

43.5% of the Food Banks that recovered fresh produce from the **agricultural sector** declare that the quantity **remained stable** while it **increased for 30.4%** and **decreased for 26.1%** of the organisations.

54.5% state that the amount recovered from the **HORECA and catering sectors**, which entail hotels, restaurants, and cafés as well as foodservice operators, **remained stable** and **45.5%** declare an **increase**.

47.8% report an **increased quantity** of surplus recovered from **food and drink producers and manufacturers**, **34.8%** mention **stable** and **17.4% reduced** volumes.

41.7% indicate that the surplus food quantity donated by companies in the **distribution sector**, e.g. wholesalers or supermarkets, **shrank**. On the contrary, it **increased for 37.5%** and **remained consistent for 20.8%** of the Food Banks able to provide the information.

[3] The data refers to those Food Banks recovering from the respective sectors and for which information is available.

In addition to the recovery of surplus, **national Food Collections** are an essential activity of European Food Banks. In collaboration with retailers, citizens are invited to make a gesture of solidarity by purchasing non-perishable products and donating them, or their monetary equivalent, to the Food Banks.

36%

of those Food Banks that organise Food Collections and for which the information was available, state that the volume of items received through these initiatives decreased.

Those respondents who received **support through EU funding programmes**, such as the Fund for European Aid to the Most Deprived (FEAD) and the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU), in 2022 evaluate it as **significant or very significant** to alleviate the burden created by the cost-of-living crisis and to effectively respond to the elevated demand for food.

The consequences of the socio-economic crisis become discernable when analysing the **trend of food demand by charitable organisations**. An **increase in the food quantities** requested is declared by **85.2%** of respondents (23 out of 27) located across Europe (Fig. 4).

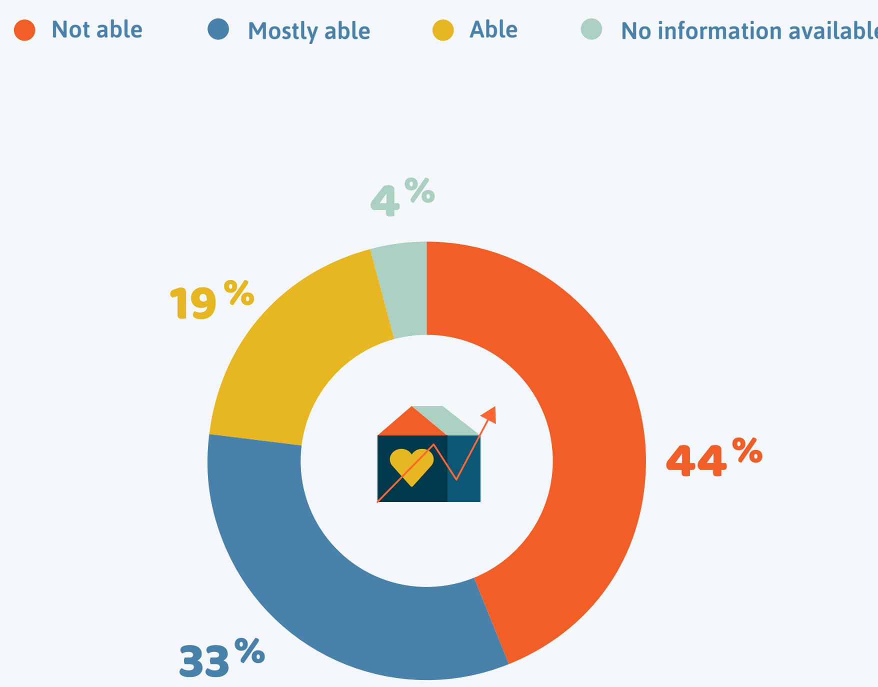
Fig. 4. Trend of food demand by charitable organisations from 2021 to 2022

Increased · Remained stable · Decreased · No information available

Against the backdrop of this increase, **44.4%** (12 respondents)[4] declare that the Food Banks in their respective countries were, looking at the year 2022 retrospectively, **not able to satisfy the demand for food.** Another **33.3%** (9 respondents)[5] state that they have **mostly** been able to assist their affiliated charitable organisations according to their needs, but not always. Less than one-fifth (**18.5%**)[6] of those surveyed affirmed their ability to provide food according to the demand **at all times** (Fig. 5).

10 respondents discern a **change in the type of food demanded by charities** compared to 2021. Among the **products requested in higher quantities** were those especially affected by food price inflation, namely staples (e.g. rice, pasta, and flower), bakery products, fruits and vegetables, dairy products, animal-based protein food (e.g. eggs, meat, and fish), and items belonging to the category of fats and oils.

Fig. 5. Ability to satisfy food demand from charities in 2022



4 Serbia, Ireland, Germany, Romania, Italy, UK, Norway, Albania, Bulgaria, Hungary, Ukraine, and Belgium.

5 Denmark, Spain, Moldova, Slovenia, CZ, Austria, France, North Macedonia, and Portugal.

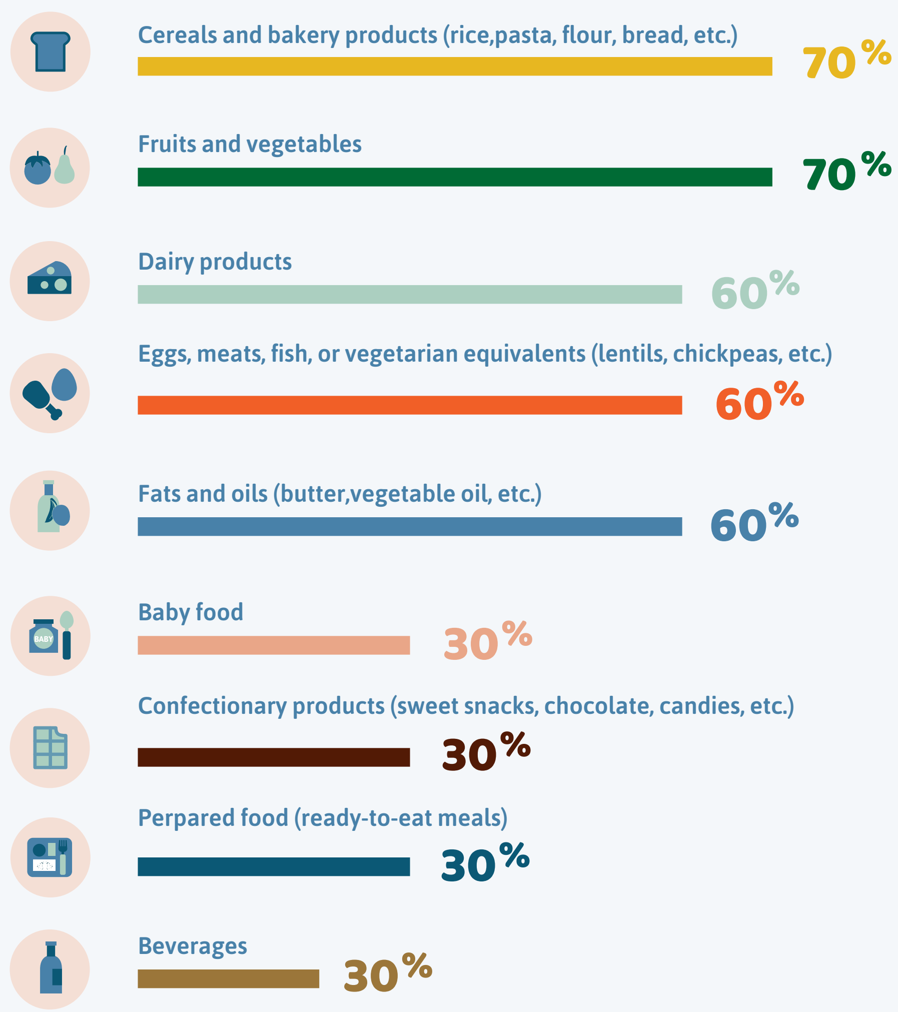
6 Estonia, Switzerland, Lithuania, Luxembourg, and the Netherlands.

The analysis of the survey results discloses that many Food Banks name particularly these products when being asked for which items, shown in Fig. 6 the total quantities recovered and collected have been insufficient to satisfy the rising demand from charitable organisations assisting a growing number of end beneficiaries. Taking into account that they are among the **key components of a nutritious diet**, this finding can be considered as potentially harming the ability of vulnerable groups to prepare and consume quality meals.

In order to bridge this gap, **over two-thirds (65%) of those 20 Food Banks that purchased food in 2022 found themselves compelled to increase the amount** in comparison to the previous year. On the contrary, **25% bought fewer items**. An inquiry into the reasons behind this development shows that in the case of some organisations, a reduction in monetary donations from society, public institutions, and the private sector led to financial constraints.

Even for those whose budget remained stable, spiralling inflation levels reduced the purchasing power and therewith the amounts. However, one organisation mentioned a conscious decision to revert to surplus and donated food and step away from COVID-19-related purchasing endeavours.

Fig. 6. Food categories with increased demand (% of respondents)



88.9% of Food Banks redistributing non-food items declare a rising demand for essential hygiene products

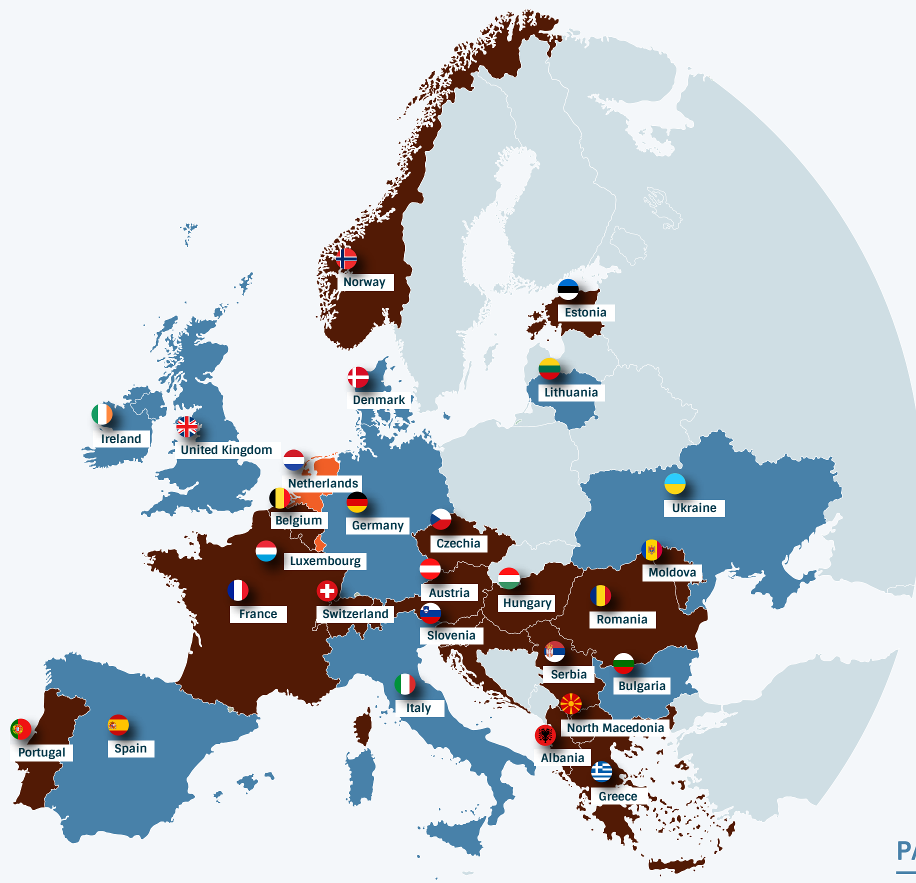
In addition to food, many European Food Banks recover, store, and redistribute a variety of basic **non-food items** for the benefit of people in need.

Of those 18 organisations for which the information is available, **16 (88.9%) declare a rising demand** for these goods in 2022 compared to 2021, particularly for personal hygiene articles, such as sanitary products for women, soap, and diapers. The remaining 11.1% did not notice any change (Fig. 7).

Being asked whether the requested products could be provided throughout 2022, **3 out of 16 (18.75%)** stated that they were able to **satisfy the demand for non-food items**, while for **7 (43.75%) this was mostly the case**. **6 respondents (37.5%)**, however, replied that they were **not capable of catering to the needs**. Personal hygiene products and diapers can be identified as those articles for which the discrepancy between supply and demand has been particularly high.[7]

Fig. 7. Increase of demand for non-food products in 2022, compared to 2021

Rising demand · Stable demand · No information available



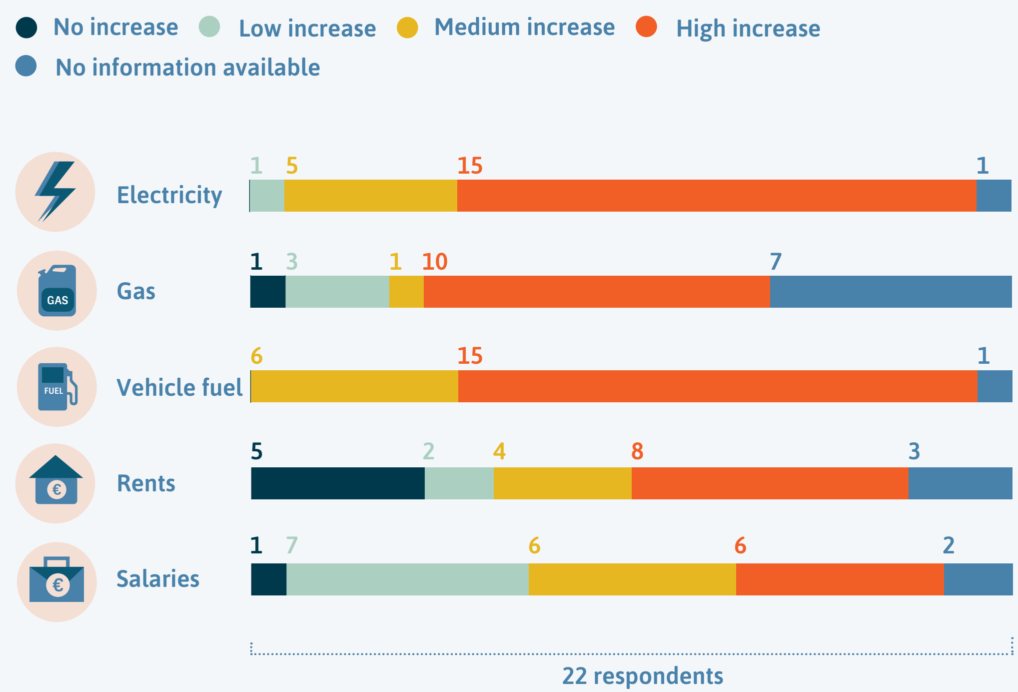
[7] 11 respondents declare that the requested information is not available.

Donations to European Food Banks cannot keep up with spiralling costs of daily activities

Visible in rising financial donations, the majority of Food Banks surveyed report **an increasing level of solidarity** from the **broad public (59.3%)** as well as **the private sector (55.6%)**. The results further indicate that the **engagement from national governments remained stable for 33.3%** of the respondents, while it **grew for 25.9%**. One quarter **(25.9%)** affirm that they did not receive any economic assistance from public authorities.

Monetary support, however, is needed to maintain daily activities. 22 out of 27 respondents **(81.5%)** declare that the **costs of running the Food Bank were higher in 2022** than in 2021. **Electricity, fuel for vehicles, and gas** are the three cost categories, for which the largest increase had been perceived, as shown in Fig. 8.

Fig. 8. Increase of expenses for different cost categories in 2022, compared to 2021



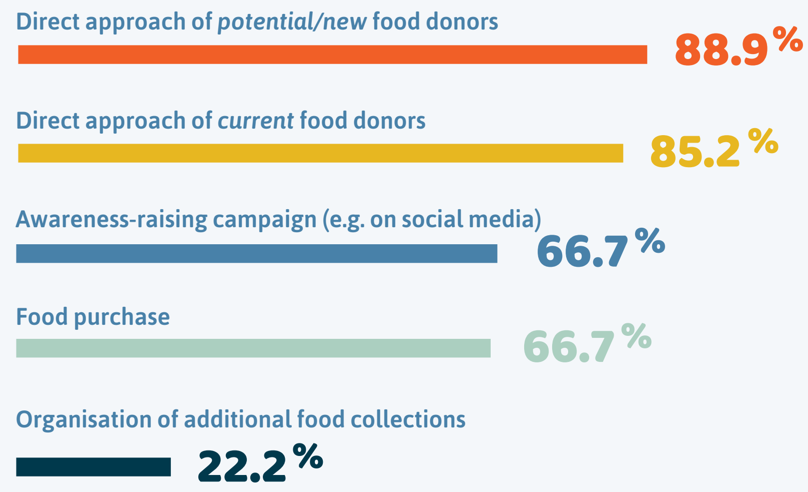
Tackling the challenges rather than giving in: every Food Bank conducted measures to cushion the crisis' impact

The results of the assessment carried out by FEBA show that Food Banks across Europe experienced the consequences of the cost-of-living crisis in 2022, albeit to a different extent. Instead of succumbing to the pressures felt, they **engaged in a broad variety of measures** aimed at alleviating the effects on their operations and their direct consequences on the well-being of the most deprived.

In order to more reliably **satisfy the on-average rising demand for food products** that, as shown in Fig. 7 above, the majority of organisations could not always meet, **88.9%** of respondents declare the pro-active **direct approach of potential new food donors**, while **85.2%** turned to **producers and businesses currently supporting them** with items. Two-thirds **(66.7%)** launched dedicated **awareness-raising campaigns**, for instance on their social media channels, to gain visibility and reach a broader audience.

The same percentage **(66.7%)** of Food Bank representatives affirm that their respective organisations purchased food to fulfil the requests of charitable organisations. Following the same rationale, almost one quarter (22.2%) organised **additional food collections** throughout 2022 (Fig. 9).

Fig. 9. Measures carried out by Food Banks to better satisfy food demands in 2022



Besides engaging in activities aiming at increasing the quantities of food available for charitable organisations and therewith for end beneficiaries, FEBA Members further undertook **measures in response to inflating operational costs. 70.4%** of those surveyed state that they initiated online donation campaigns targeted at individual and corporate donors. In an attempt to ease budgetary constraints, **55.6%** made efforts to **lower the expenses** related to running the Food Bank, such as reducing energy consumption. The same share of representatives (55.6%) affirm the request for government support. In four cases **(14.8%)**, paid staff members had been laid off

Within the pool of measures carried out were also the establishment of partnerships with new financial donors, the cancellation of now unaffordable rent contracts, or the reduction of the number of vehicles used to recover and redistribute food and non-food products.

By the same token, 22 out of 27 respondents further adapted their way of operating to become more (cost-)efficient. Almost two-thirds **(63.6%)** declare to have **optimised the routes of vehicles**, especially during food recovery drives, to reduce fuel consumption, while **50% collaborated with logistic companies and other partners** to optimise the transportation of goods. **59.1%** point out that they **scaled up the digitalisation level** of some activities. Moreover, to be more independent from fluctuating energy prices, over one quarter **(27.3%)** invested in the **installation of solar panels or other renewable energy sources**. Three respondents **(13.6)** note that the respective Food Banks had to **curtail the recovery of fresh and frozen products** to reduce the costs related to the operation of cold rooms and refrigerated vehicles.

Despite the hurdles and challenges faced in 2022, European Food Banks plan to **further scout new opportunities to reliably recover, collect, and redistribute food** to charitable organisations assisting people in need.

Continuing the path of proactively and creatively conducting measures to cater to the increasing demand, 88.9% of respondents to the survey highlight the intent to approach additional food business operators to enlarge their networks of partners and supporters. More than three quarters (77.8%) state the intention to work together more closely with current partners to source higher food quantities.

Moreover, named by 70.4%, the launch of awareness-rising campaigns remains among the top three measures Food Banks consider expedient to effectively respond to the cost-of-living crisis and its repercussions.

Better together: the strength of a European network of Food Banks to surmount the encountered hurdles

Countries across Europe had been in the grip of the cost-of-living crisis throughout 2022, affecting the daily lives of people regardless of their nationality. Thus, despite their operational differences, FEBA Members found themselves confronted with similar challenges.

Harnessing the power of collaboration specifically to relieve the crisis impact, **33.3%** of respondents state that they **occasionally worked with other Food Banks** belonging to the FEBA membership, while **14.8%** did so on a **regular basis**. Being named by 11 out of those 13 representatives that answered the question **(84.6%)**, the **exchange of best practices** headed the list of the most frequent types of collaboration, followed by the **delivery of food (53.7%)** aimed at balancing supply and demand even beyond national frontiers. **Financial support** had been provided by four organisations **(30.8%)**.

A new group at risk: gainfully employed persons who cannot make ends meet due to the ongoing pressures of the cost-of-living crisis

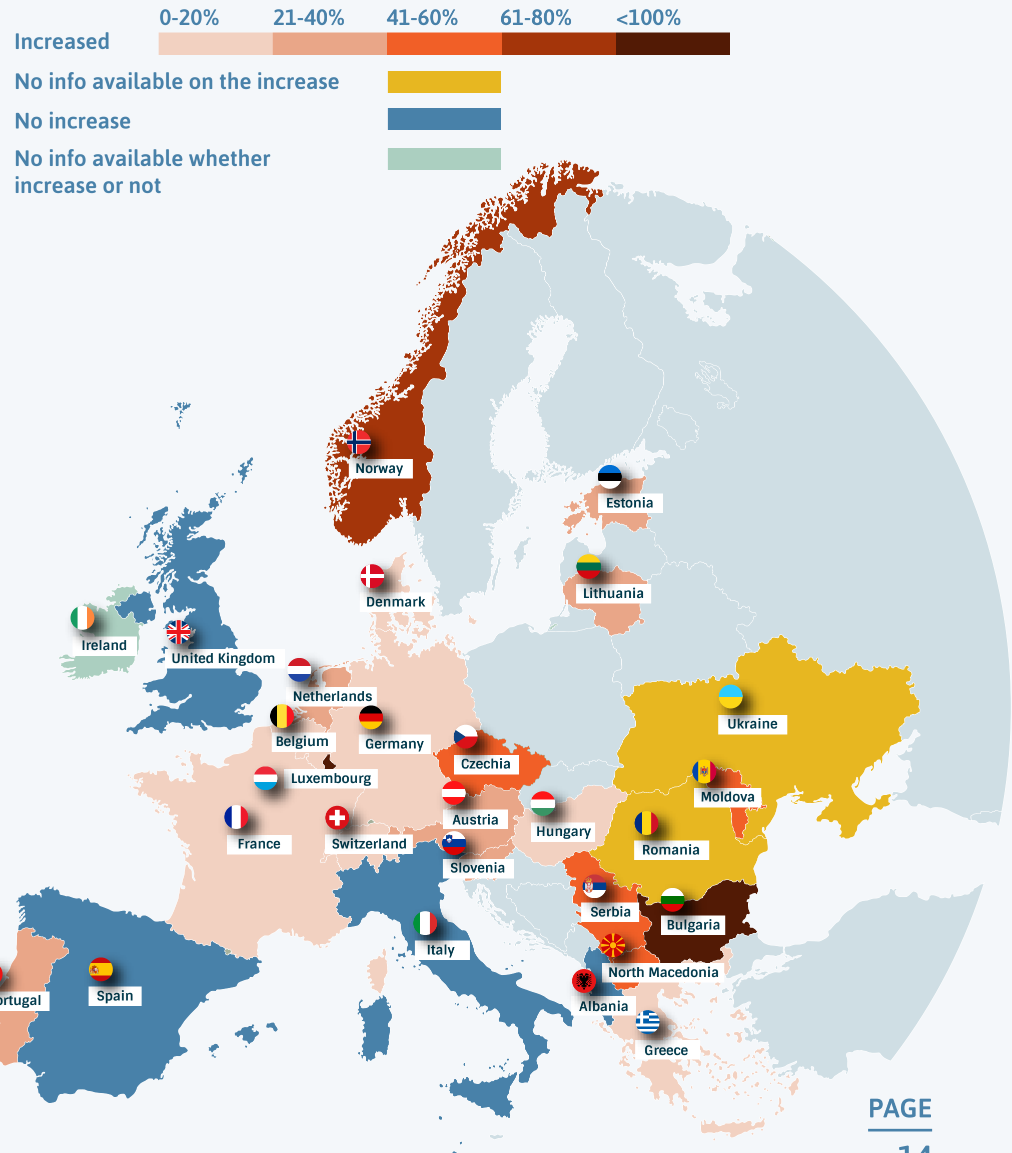
Compared to 2021, four out of five **(81.5%)** Food Banks note that from the requests of the charitable organisations they provided with food the socio-economic crisis led to an **increase in end beneficiaries**, varying across Europe between a small single-digit percentage and a doubling of the number, as visible in Fig. 10. (p. 14).

The crisis and the concomitantly spiralling costs of living further seem to have an impact on the **profile of end beneficiaries**, i.e. the social and demographic characteristics of people being supported. 81.5% of those surveyed confirmed this development.

Being asked to specify the **categories of end beneficiaries receiving assistance more frequently** (Fig. 11, p. 15), over three-quarters **(77.8%)** of respondents select **single parents**, closely followed by **families** and **migrants/refugees (74.1% respectively)**. Refugees fleeing the war in Ukraine were pointed out by several respondents as a new group of end beneficiaries. Furthermore, more than half **(51.9%)** highlight **seniors**, i.e. elderly people at retirement age, as approaching charitable organisations on a more regular basis in 2022 compared to the previous year. **Persons with disabilities** as well as **women** are named by **37% of respondents**.

In addition, food price inflation and rising utility expenses led people living in **rural areas** to request material support more often, as stated by one-third **(33.3%)** of the Food Bank representatives. **Homeless people** and **students/trainees**, who commonly live on a tight budget, also have been named by **29.6%**, respectively.

Fig. 10. Evolution of number of end beneficiaries in 2022 (compared to 2021)

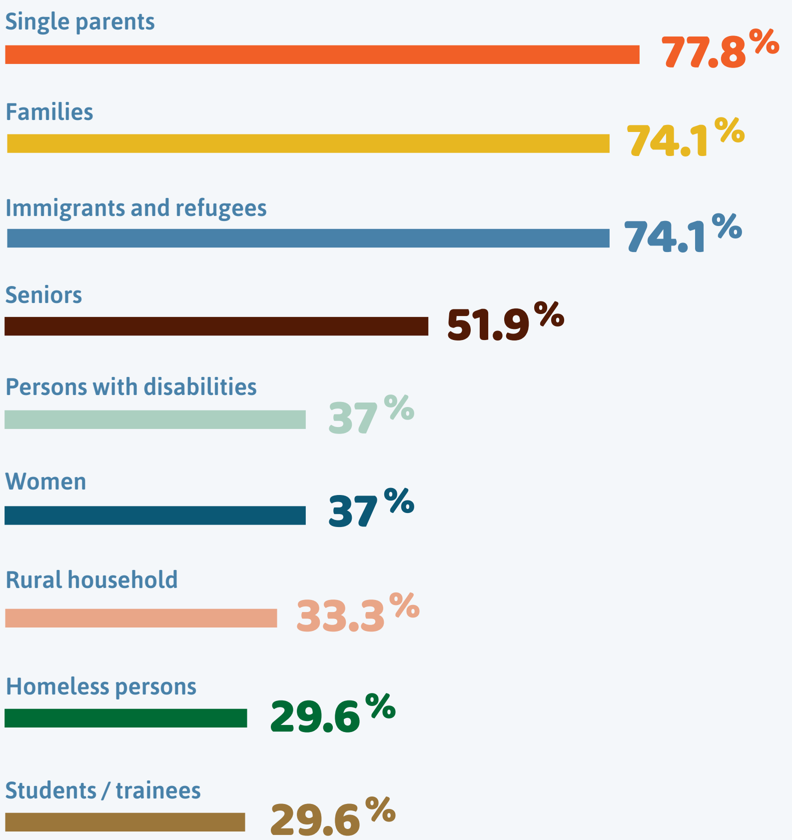


9 out of 27 respondents **(33.3%)** report a noticeable **alteration in the age** of those needing food assistance. **Children under 18**, as well as **middle-aged persons** between 31 and 65, are highlighted by two-thirds **(66.6%)**, respectively, as the groups for which an increase was observed. **55.6%** mention **seniors** older than 65 and **44.4%** refer to **young people** between 18 and 30.

Over half (51.9%) of those replying to the survey notice a **change regarding the employment status** of the end beneficiaries compared to 2021. Taking a closer look at this development, the large majority (78.6%) of respondents mention that **people in employment** turned to charities asking for food assistance more often, followed by unemployed **(64.3%)**, and retirees **(35.7%)**.

Finally, in response to the open question of whether **new groups of food recipients** have been recorded, many Food Bank representatives named the category of **gainfully employed persons**. While previously not in a disadvantageous economic situation, they demanded material support for the first time in 2022 due to salaries now insufficient to cover the surging costs of living, Besides them, **Ukrainian refugees** are singled out several times.

Fig. 11. Categories of end-beneficiaries receiving assistance more frequently (% of respondents)



3. Conclusions

In the course of 2022, the costs of living have been climbing at a very fast pace across Europe, causing hardships, especially for households with low or no income, who have already been hit by the repercussions of the COVID-19 pandemic. In addition, a rising number of people whose salaries suddenly did not suffice anymore to cover skyrocketing expenses turned to charitable organisations for material aid.

The EU is committed to halving per capita food waste at retail and consumer levels by 2030 (SDG Target 12.3) as well as to reducing the number of people at risk of poverty or social exclusion by at least 15 million, including at least 5 million children.

> **We know that there are 59 million tonnes of food (131 kg/inhabitant) that are wasted every year while 7.3% of European citizens cannot afford a quality meal every second day (Eurostat, 2022).**

In times in which a nutritious meal becomes increasingly unaffordable, the activities of Food Banks are rendered all the more important. However, today is more expensive to recover and redistribute food donations – energy costs, fuel, more vehicles, more infrastructure, and more co-workers – and this puts pressure on those that are daily dealing with food redistribution. Given these circumstances, which constitute a trend continuing in 2023, Food Banks rely on solidarity and financial support to be able to keep the activity running, recover higher quantities of food, settle the invoices, and pay the salaries.

Policies, legislation, and funding should be put in place and implemented to ensure that edible and safe food that is rejected by the market and could potentially become food waste can instead be saved while ensuring the highest value use of edible food resources redistributing it for human consumption (Commission notice, EU guidelines on food donation, 2017/C 361/01).

> **Drivers such as administrative simplifications and fiscal incentives should be promoted to foster donations (food, economic, and in-kind donations) to non-profit organisations redistributing food to the most deprived.**

There are already measures and funds that the European Commission proposed and are available for Member States, for instance, the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU) initiative and the European Social Fund Plus (ESF+). **It is important that these funds are implemented and used in an efficient and effective way, in constant collaboration between public authorities and non-profit organisations**. In the longer term, it is important to **monitor the progress and assess the need for adjustments in order to be as flexible as possible and to evaluate whether changes or more resources are needed**.

Wasting food is never justifiable. In a time of crisis, or rather of food crisis, it is essential to ensure that no crumb is wasted while supporting those non-profit organisations, such the Food Banks, that are a critical lifeline to promote access to food for an increasing number of people facing a difficult time due to the cost-of-living crisis.

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