



Industry Food Donation Guidelines

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1 Executive Summary and Rationale for Donations

Part 1 of 3

2 Starting and managing a food donation program – in 3 steps

3 Processor, Caterer/Restaurant and Retailer Specific Information

Purpose of the Industry Food Donation Guidelines

These guidelines were developed to help the food industry donate safe and healthy food to food distribution organizations (FDOs). They outline what retailers, food manufacturers, caterers, hotels, and other food businesses need to know to enable donations of safe and healthy food.

What are Food Distribution Organizations (FDOs)?

The most widely known FDOs are food banks, but there are a range of organizations and programs that use donated food to feed hungry people, support healthier eating, build community capacity, educate and train people, or help maintain cultural eating practices. Through these activities, FDOs try to improve access to food for people in need. Many people, including children, rely on FDOs for a significant portion of their food,¹ making nutrition and food quality increasingly important aspects of the services they provide. FDOs operate on tight budgets, rely on volunteers and donations, and may have limited capacity to receive, store, or prepare different kinds of foods. These guidelines are intended to facilitate donation to all types of FDOs.

Community kitchens are programs in which food is collectively prepared and consumed. They include educational, community building, and/or food provision aspects. Food may be consumed on site or taken home to be consumed at a later date.

Food banks & smaller food pantries provide food at no cost to clients. Food banks perform a number of functions including receiving, holding, storing, packaging, repackaging and distributing food to be consumed off the premises, but do not generally process or serve food.

Low cost retail outlets provide food for pick-up by members, either at a reduced charge or at cost. Foods unsuitable for sale by wholesalers or retailers may be allowable for sale at these premises. Foods must be appropriately packaged and stored for use in a retail setting.

Meal programs (e.g., soup kitchens) fit the definition of a food service establishment or food premise; they prepare and serve food to clients on-site.

Social enterprises include culinary training schools, non-profit restaurants, and low cost retail outlets. Foods given to social enterprises may be used in teaching kitchens or sold through a catering or grocery non-profit business.

These guidelines are intended to help the food industry safely donate more healthy, fresh foods to FDOs.

Five Compelling Reasons to be a Food Donor

Donating food benefits the community, your business and employees, and the environment.

1. Engage With Your Community

You can help organizations provide safe and healthy foods to people in need. You can also provide food to organizations doing community development work, such as food skills training programs or social development, or that reintroduce cultural traditions to their lives.

2. Reduce Your Environmental Impact

Waste reduction can help businesses reach environmental sustainability goals. Your business can:

- Keep food and packaging out of the landfill.
- Avoid wasting resources used to produce food products – water, energy, labour, machinery wear and tear, transportation, and other resources invested in the production.²
- Reduce methane gas produced by landfills. Methane is a potent greenhouse gas that contributes significantly to climate change.

3. Improve Your Corporate Social Responsibility Profile

Corporate social responsibility (CSR) initiatives humanize companies and convey positive contributions to society. Consumers reward socially responsible firms with higher sales and long-lasting loyalty. They can become brand advocates to their friends and family.³ A well-planned food donation program can demonstrate your social responsibility philosophy in an easily understood, tangible way while building relationships in your community.

4. Attract And Retain Dedicated Staff

Employees identify personally with a company when they believe it is socially responsible. A commitment to socially responsible behaviour can lead to higher levels of employee commitment and dedication to excellence, greater morale, reduced absenteeism, and lower employee turnover.⁴

5. Maximize Financial Benefits

A food donation program can play an important role in helping businesses offset costs associated with surplus and un-sellable inventory.

- Reduce handling costs of disposing healthy edible, but un-sellable, food (by reducing de-packaging, recycling, composting, and garbage disposal expenses).
- Maximize tax savings by (1) deducting the costs associated with the value of the donation (as a business loss or write-off), or (2) requesting a charitable tax receipt from FDOs that are registered charities. Contact your accountant for further advice about Canadian Revenue Agency policy CPC-018 (Gifts from Inventory).⁵ Some jurisdictions may offer additional tax incentives to encourage charitable food donations.⁶

Liability Protection

Food Donor Encouragement Act

In BC, the *Food Donor Encouragement Act* protects corporations and their directors, agents, and employees from liability when donating food or distributing donated food.⁷

As long as the food was not rotten or unfit for consumption, and the food was not donated or distributed with reckless disregard for safety, this Act provides protection from liability.

Good Samaritan Laws

Legislation similar to BC's *Food Donor Encouragement Act* exists in almost every Canadian province and territory.

The Food Donor Encouragement Act received unanimous support from MLAs in the Legislative Assembly of British Columbia in 1997.

“This bill means that hotels, restaurants, food chains, private caterers, grocers, etc. may donate good-quality surplus food to food banks and agencies without fear of liability – good-quality food that would otherwise have been slated for landfill.”

Hon. Ida Chong, BC Liberal MLA

“This bill will enable more good food to be saved for those who need it. One is compelled to ask why perfectly good food is wasted when people are hungry. By limiting the liability of food donors and distributors, this legislation will quell those fears of liability, and encourage donations of food.”

Hon. Ujjal Dosanjh, BC NDP MLA

In Canada, no reported court decision has ever imposed liability on industry or any problems caused by donated foods.

In the United States, the *Bill Emerson Good Samaritan Act, 1996*⁸ was enacted “to encourage the donation of food and grocery products to non-profit organizations for distribution to needy individuals.” As in Canada, food donation-related litigation has not been reported in the US.⁹

Business Case for Donations: Daiya Foods



Daiya (pronounced “day-ah”) is a Vancouver-based manufacturer of deliciously dairy-free, gluten-free and soy-free products. Their product lines include pizzas, cheesecakes, shredded, sliced and block style cheeses, cream cheese style spreads, Greek style yogurt and their newest product, Cheezy Mac. Daiya products retail in more than 20,000 grocery stores across North America.

Aligning with corporate values

Like many in the food industry, Daiya’s owners and staff value people and the communities where they work. Rather than waste safe and healthy food, the owners decided to donate their extra product.

Establishing Daiya’s food donation program

When setting up their donation program, Daiya’s owners were overwhelmed by laws and regulations and found it difficult to connect with the right FDOs. Without clear guidance, it seemed easier to throw food away. In keeping with the company’s core values, they did more research, reviewed their own QA policies, examined the *Food Donor Encouragement Act*, and found a way to donate their safe and healthy food to FDOs that could use it.

Daiya donates to a variety of FDOs. Since 2013, Daiya has:

- donated 49 000 kg of food,
- contributed to 1.5 million meals in schools, community kitchens, and senior's homes,
- reduced their carbon footprint by keeping 49 000 kg of safe and healthy food out of the landfill,
- saved \$8000 in disposal fees, and
- helped FDOs focus their resources on programs and other needs rather than donation-seeking.



Daiya dairy-free Cheezy Mac

Other benefits are less measurable but no less valuable:

- staff pride
- company morale
- community spirit
- supporting customer values
- knowing families and children are eating healthy food

Voicing a need for donation guidelines

Guidelines like this would have helped Daiya a lot, especially when figuring out how to donate easily, safely, and efficiently. We hope this guideline helps other businesses establish food donation programs.

According to Johanne Pilon, Logistics Manager at Daiya Foods: There is no food shortage in Canada, there is a food distribution problem. With the development of these guidelines, our hope is to encourage other food manufacturers to donate and not to rely on the landfill as their only solution.

Daiya means love, kindness and compassion in Sanskrit. Donating excess, healthy food aligns with the company’s core values.

References

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