

Food Waste Rapid Review for Business

A 3-step guide to help you understand how much food waste is costing your business and what you can do to reduce it



Kai Commitment
BUSINESSES LEADING FOOD WASTE REDUCTION





Why reducing food waste is good for business



It can save you money

Reducing food waste can reduce your costs and boost your profit. In 2024, Signatories to the Australian Food Pact food waste reduction programme saved \$57 million AUD through reducing food waste.¹ A 2019 study of more than 700 businesses across 17 countries found that every dollar invested in food waste reduction returned an average of \$14.²



It reduces your environmental footprint

When food waste goes to landfill or down the drain, so do all the environmental resources that went into it. It also produces methane, a powerful greenhouse gas. Globally, 8–10% of greenhouse gases come from food waste in landfill or wastewater. Reducing food waste saves 10x more CO₂e than electric cars.³



It shows your customers you care

With food waste action and advocacy gaining momentum around the world as a sustainability issue, it's becoming an increasingly important issue in consumer decision making.⁴ Reducing it and creating low-waste products can have significant reputational value for your business.

This 3-step guide will help you understand how much food waste is costing your business and help to identify next steps to start reducing it using the Target, Measure, Act, Collaborate framework.



Before you get started

Note that your Rapid Review should:

- measure all food within your business that was intended for human consumption, but exits the main commercial supply chain
- include all waste streams where food waste is present
- include both edible and inedible parts of food
- not include any non-organic waste (e.g. packaging).

¹ [Australian Food Pact Impact Report, 2024](#)

² [Food Waste Champions, 2019](#)

³ [Project Drawdown](#)

⁴ [Smolokoff, 2021](#)



STEP 1

Collect food waste data

You can't manage what you don't measure, so the first step in your Rapid Review is to measure your business' food waste by gathering existing data or conducting a food waste audit.

You will need to gather or collect food waste data on three separate occasions. Depending on what's practical for the size and operations of your business, these occasions could be time periods of an hour, a service, a shift, or a day. To make sure your data represents 'business as usual', choose days that are 'typical' for your business and ask your staff not to change anything else about their normal practices.



Use any existing waste data and conduct a food waste audit where existing data isn't available. Getting your operational staff involved in planning the data collection can help decide the best process for collecting your data.

Separate

Separate food waste from other types of waste. If you have multiple waste destinations containing food waste (e.g. landfill and compost), record separate data for each waste destination.



During a food waste audit, place a food waste bin next to your general waste bin to avoid having to separate food from other waste retrospectively.

Measure

Measure your food waste by weight (kg) or volume (e.g. bin or rubbish bag). Appoint a staff member to oversee the audit and record the data. If you record by volume, estimate the average weight per unit so you can later convert it into kg.



Record as many separate data points as is practical. This will enable more detailed analysis and therefore more targeted solutions. For example, if your food waste is already collected separately in different parts of your business, record this food waste data separately.

Record

Record your total output of food for each of your collection periods, using the same unit of measurement as your food waste data. This will allow you to calculate the percentage of food going to waste in your business.



If it's not possible for your business to isolate output data for a specific collection period, you can infer this later based on average output or sales data.

STEP 2

Analyse your food waste data

Once you have collected your data, you can calculate the food waste your business produces, along with what it's costing your business and the opportunities for improvement. Depending on how many waste destinations or parts of your business have separate data, you can also identify potential food waste hotspots, which will make for more targeted solutions.

Calculate your food waste volumes

- Average the weight or volume collected from each occasion, destination, and part of your business. Combine these averages to estimate your total daily, weekly, monthly, or annual food waste.
- Graph each data set (waste destination, part of your business) to identify food waste hotspots and map where your food waste is going.

Calculate your food waste percentage

Add the total food output for each data collection period to the total food waste to get your total food handled.

$$\text{OUTPUT} + \text{FOOD WASTE} = \text{FOOD HANDLED}$$

Divide food waste by this and multiply by 100 to get the percentage of food waste.

$$\frac{(\text{FOOD WASTE} \div \text{FOOD HANDLED}) \times 100}{=} \text{PERCENTAGE OF FOOD WASTE}$$

Calculate the impact of your food waste

- Calculate the cost of the food going to waste and add the disposal costs for an estimate of how much this food waste represents in profit loss.
- Use the [ReFED impact calculator](#)⁵ to estimate the environmental impact of your food waste.

5 Note these impacts are calculated based on US data.



STEP 3

Identify next steps

Use the data from your Rapid Review as a baseline from which to launch your business' food waste reduction journey. The Kai Commitment advises businesses to use the Target Measure Act Collaborate approach, based on international best practice.⁶



If you are a large business, consider signing up as a Signatory to the Kai Commitment so we can support your business to target, measure, act, and collaborate.



Target

Build food waste reduction into your business strategy by setting food waste reduction goals and prioritising outcomes.

- Include food waste reduction and prevention into company policies and KPIs.
- Set goals for reducing food waste that align with Sustainable Development Goal 12.3, which aims to halve global food loss and waste by 2030.⁷



Measure

Develop strategies and processes for measuring your food waste, monitoring progress towards your food waste targets, and evaluating the efficacy of interventions.

- Establish regular processes for collecting food waste data on an ongoing basis.
- Measure your food waste in greater detail to facilitate more targeted solutions.⁸
- As well as quantitative data, gather insights from your team and other stakeholders to identify food waste drivers and barriers to action.

⁶ [WRAP – Target, measure, act approach](#)

⁷ [UN Sustainable Development Goals – SDG12.3](#)

⁸ [FLW protocol](#)



Act

Implement targeted interventions based on the data and insights gathered to reduce your food waste and its related impacts on your business and the environment.

- Optimise processes and operations to be more efficient and less wasteful.
- Shift staff practices and develop team culture that prioritises food waste prevention and reduction.
- Investigate alternative avenues for food waste, in line with the food recovery hierarchy – diverting food waste from landfill and keeping food for people wherever possible.



Collaborate

Engage as many people as possible in your food waste reduction journey, including those within your team or business as well as those in your wider community of stakeholders.

- Make your food waste reduction targets and progress towards them known.
- Involve a wide variety of team members from across your business in designing solutions for maximum buy-in and more effective interventions. Personnel that could contribute include: new product development, demand planning, process improvement, waste minimisation, team leaders, community and environmental managers.
- Extend your efforts to include reducing food waste throughout your whole supply chain.
 - Upstream suppliers (How can you reduce waste together?).
 - Waste management providers (How can you move food waste out of landfill?).
 - Customers (Are they wasting your product? How can you help them waste less?).



How did you go?

Share your insights and progress with us!
hello@kaicommitment.org.nz



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For more information or advice on using this tool or reducing food waste in your business, please get in touch:



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