THE EATING CITY PLATFORM:

The public foodservices in Europe, financial issue during the last 15 years.

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Who is Risteco

A **Consortium** of companies working in support for foodservices: **consultancy, foodstuffs and catering related waste management**;

No profit organization

Risteco acts as an **international multi-dimension and multi-function platform,** to create links among different actors such as :

Universities, research centres, public bodies, businesses, NGOs …

Aim: to **promote sustainable development in the foodservices,** through research, international collaboration, information and communication and technological transfer (knowledge based economy).

2 main offices: Turin (Italy) and Novalaise (France)

Risteco's activities

Risteco's activities are based on 3 main pillars :

Research & Development

In collaboration with universities and research centres, to study new economical models for the sectors of foodservices and agro-food industry.

International Cooperation

Through a dense network of alliance, Risteco acts as a facilitator to help dialogue between people, share experiences and transfer knowledge.

Consulting & Training

For years, Risteco has been assisting companies and public bodies to plan new strategies oriented to the sustainable development, fostering innovation by training and communication tools.

The European Market of Social Foodservices

WEST EUROPE	Million Meals				% penetration of the Market				Turnover (million €)		
	2006	2007	2008	2010	2006	2007	2008	2010	2006	2007	2008
Austria	52	55	56	59	20,0	21,3	22,0	23,6	239	257	265
Belgium	129	134	139	150	26,2	27,2	28,1	30,6	580	609	645
Denmark	59	61	63	68	14,9	15,4	15,9	17,4	282	296	310
Finland	100	102	103	107	20,5	20,9	21,1	22,3	452	468	480
France	1 190	1 238	1 289	1 365	33,6	34,8	36,0	37,9	5 240	5 530	5 900
Germany	528	540	555	600	15,7	16,1	16,5	17,8	2 635	2 727	2 850
Greece	30	34	37	42	14,4	16,3	17,6	19,9	64	74	85
Ireland	96	109	115	125	50,5	57,1	60,2	65,8	315	369	400
Italy	798	821	860	920	44,7	46,3	48,9	53,2	3 590	3 790	4 090
Luxembourg	9,5	9,8	10,5	11,5	45,2	46,7	52,5	57,5	74	78	85
Netherlands	310	305	310	320	36,3	36,1	36,9	37,9	1 056	1 064	1 095
Portugal	130	135	141	148	37,2	38,0	39,2	41,0	435	455	485
Spain	376	395	420	460	39,9	41,6	44,2	51,1	1 300	1 405	1 540
Sweden	104	106	108	111	12,3	12,6	12,8	13,2	454	468	485
U.K	1 284	1 345	1 430	1 566	36,4	38,2	40,9	45,4	5 091	5 417	5 250
TOTAL WEST EUROPE	**5 196**	**5 390**	**5 637**	**6 053**	**30,1**	**31,2**	**32,7**	**35,3**	**21 807**	**23 007**	**23 965**

The European Market of Social Foodservices

73.6 billion Euro /Year

21.0 billion/Year Meals served

EAST EUROPE	Million Meals				% penetration of the Market				Turnover (million €)		
	2006	2007	2008	2010	2006	2007	2008	2010	2006	2007	2008
Cyprus	0,4	0,5	0,7	1,0	0,7	0,8	1,2	1,7	1,8	2,6	3,8
Czech Republic	118	125	131	140	16,3	17,2	18,2	19,7	194	209	225
Estonia	9,5	10,5	11,0	13,0	14,3	16,2	16,9	20,0	11	12,5	13,5
Hungary	139	143	145	152	19,0	19,7	20,1	21,3	155	162	170
Latvia	2,2	2,5	3,0	3,5	2,2	2,6	3,1	3,7	3	3,5	4,5
Lithuania	4,0	4,5	5,0	6,0	2,5	2,9	3,3	4,1	4	4,7	5,5
Malta	3,8	4,1	4,4	5,0	28,1	29,5	30,6	33,3	11	12	13
Poland	44	52	60	75	2,5	3,0	3,4	4,3	85,7	103,7	122,7
Slovakia	19	21	24	30	7,9	8,9	10,4	13,0	30,5	35	41
Slovenia	15	17	19	22	14,3	16,2	19,6	22,4	44	51	59
TOTAL EAST EUROPE	355	380	404	448	9,0	9,6	10,3	11,6	540	596	658
TOTAL Contracted	5 550	5 770	6 040	6 500	26,2	27,2	28,5	31,0	22 347	23 603	24 623
TOTAL Self-Operated	15 650	15 430	15 120	14 500	73,8	72,8	71,5	69,0	49 053	49 597	48 977
TOTAL Social Foodservice	21 200	21 200	21 160	21 000	100	100	100	100	71 400	73 200	73 600

Source: GIRA FOODSERVICE

Eating City Study & Research:

Starting from the experiences of Risteco and its partners, Eating City includes a working team dedicated to study sustainable catering new models.

Starting from 2003, main research activities on meal life cycle analysis allowed to point out the logistics (food supply chain) and the waste management, as two main levers to reduce the environmental impact, independently of food menu template and nutrition value.

The next slides present some results to better size the problem.

Meal GHG emissions

"Scenario A" = 4,63 Kg CO_2 Equiv.

Scenario----------> A

Cycle de vie "Repas"	Kg CO_2 Eq.	%
Prod. matières premières:	4,085	88,07%
Entrée	0,095	2,06%
Plat protidique	3,263	70,34%
Accompagnement	0,000	0,00%
Fruit, Fromage, Dessert	0,279	6,01%
Pain	0,037	0,79%
Emballages	0,411	8,86%
Logistique (primaire)	0,043	0,93%
Production de Repas:	0,355	7,65%
Consommation d'énergie	0,323	6,96%
Déchets	0,032	0,69%
Logistique (secondaire)	0,027	0,59%
Consommation:	0,128	2,76%
Déchets	0,128	2,76%
Total	4,638	100%

Scenario A:
Menu including beef meat.

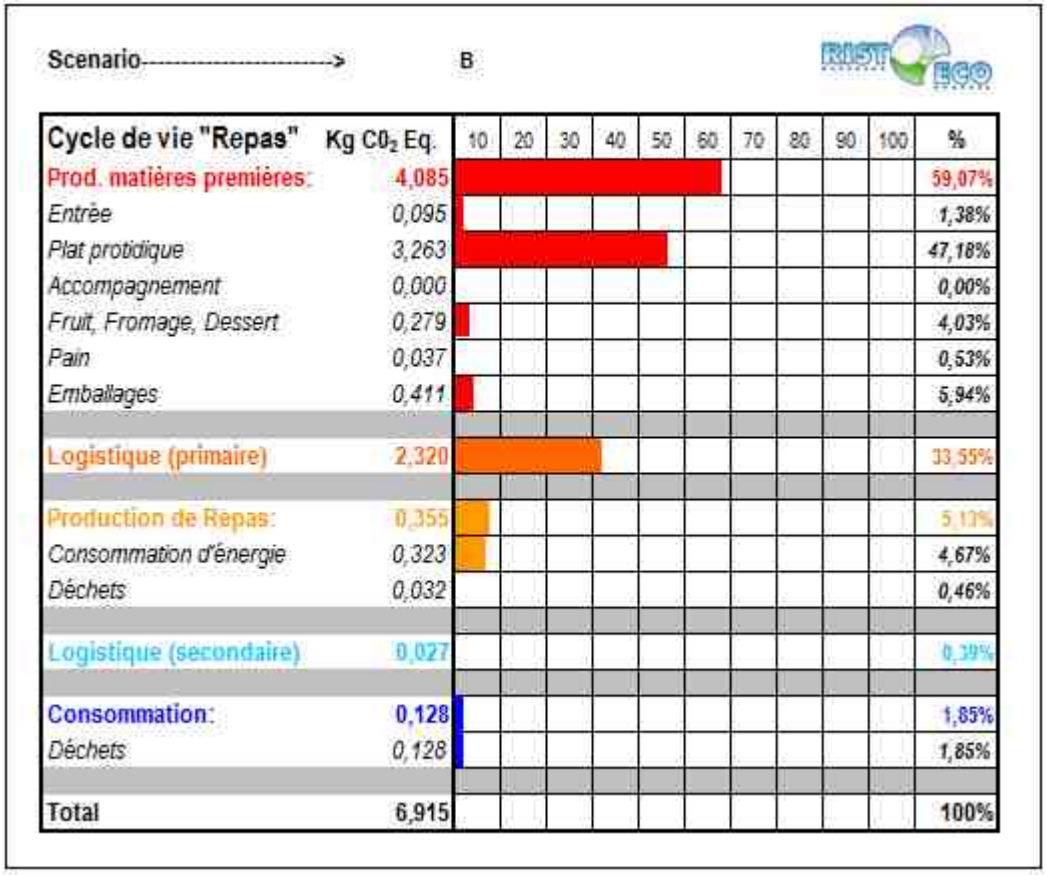
Greenhouse gas calculated for foodstuffs transported on road, according to their geographical origin :

25% = 100 Km
25% = 500 Km
25% = 1000 Km
25% = 1500 Km

Source:
Study by Risteco

Meal GHG emissions

"Scenario B" = 6,91 kg CO_2 Equiv.



Scenario----------> B

Cycle de vie "Repas"	Kg CO_2 Eq.	%
Prod. matières premières:	4,085	59,07%
Entrée	*0,095*	*1,38%*
Plat protidique	*3,263*	*47,18%*
Accompagnement	*0,000*	*0,00%*
Fruit, Fromage, Dessert	*0,279*	*4,03%*
Pain	*0,037*	*0,53%*
Emballages	*0,411*	*5,94%*
Logistique (primaire)	2,320	33,55%
Production de Repas:	0,355	5,13%
Consommation d'énergie	*0,323*	*4,67%*
Déchets	*0,032*	*0,46%*
Logistique (secondaire)	0,027	0,39%
Consommation:	0,128	1,85%
Déchets	*0,128*	*1,85%*
Total	6,915	100%

Scenario B:
Menu including beef meat:

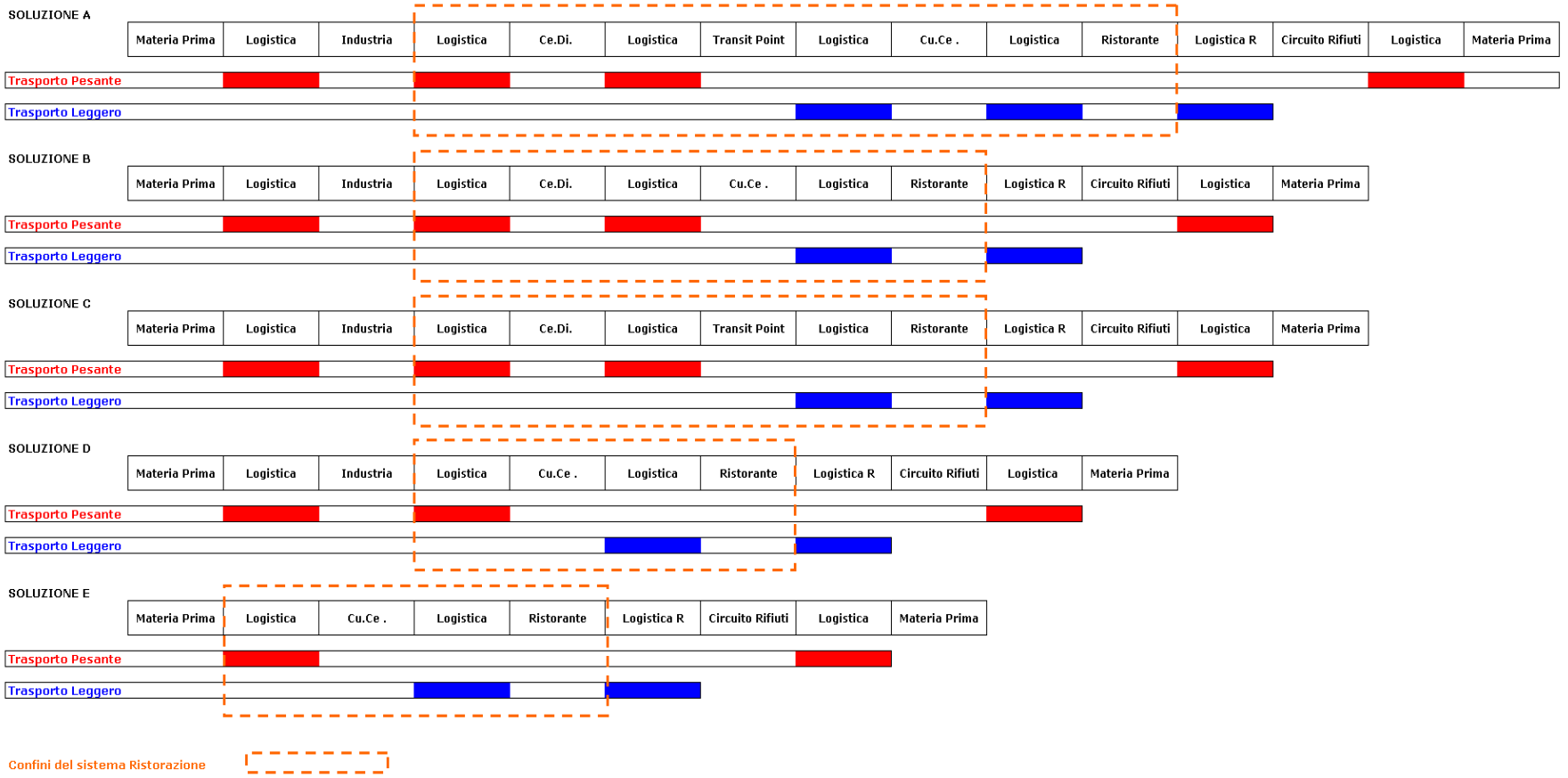
Greenhouse gas calculated for foodstuffs transported on the road (such as in scenario A) and by plane:

50% as the Mix A
50% 6,000 km by plane

Source:
Study by Risteco

SHORT OR LONG SUPPLY CHAIN ?

ESEMPLIFICAZIONE GRAFICA DELLA SUPPLY CHAIN DI UN SERVIZIO DI RISTORAZIONE, ESTESA AL CONCETTO DI L.C.T. (CICLO VITA)



Logistic
Benchmark of the Impacts in terms of CO_2

Environmental impacts of transport for 1 Kg of Goods (Trasport on roads) 100%

Tipology of vehicles	Cost for 1 Km	Capacity* Kg	Consumption Km/L	**100 Km** Tot. Gr. CO_2	Gr. CO_2 By Kg	**300 Km** Tot.Gr. CO_2	Gr. CO_2 By Kg	**1000 Km** Tot.Gr. CO_2	Gr. CO_2 By Kg
35 Quintal	€ 1,38	1.500	9,3	27.978	**18,65**	83.935	55,96	279.784	186,52
60 Q.	€ 1,18	3.000	6,6	39.424	13,14	118.272	39,42	394.241	131,41
115 Q.	€ 1,15	6.000	5,1	51.019	8,50	153.058	25,51	510.194	85,03
260 Q.	€ 1,37	20.000	3,2	81.312	4,07	243.937	**12,20**	813.122	40,66

When speaking about short supply chain eco-efficiency, we need to keep in mind that other elements but distances must be taken in consideration such as the typology of vehicle and the capacity to optimize the logistics.

The small producer that use its own vehicle is not generally in the conditions to use the full loading capacity of the van and therefore to optimize environmental impacts of the logistic.

Waste in Commercial Foodservices

Waste in Social Foodservices per capita

Production et consommation du repas Rest. Hospitalière		
Type de déchets	**Gr**	**%**
Organique	350	55,56%
Emballages	164	26,03%
Couverts en plastique	98	15,56%
Indifférencié	18	2,86%
Total par journée d'hôpital/patient	**630**	**100,00%**

Production et consommation du repas Secteur Hospitalier		
Type de déchets	**Gr**	**%**
Organique	212	56,53%
Emballages	116	31,01%
Couverts en plastique	46	12,27%
Indifférencié	1	0,19%
Total par repas servis au personnel	**375**	**100,00%**

Production et consommation du repas Rest. d'Entreprise		
Type de déchets	**Gr**	**%**
Organique	185	56,54%
Emballages	121	37,09%
Couverts en plastique	0	0,00%
Indifférencié	21	6,37%
Total par repas distribué	**327**	**100,00%**

Waste in Social Foodservices per capita

Production et consommation du repas Rest. Scolaire		
Type de déchets	**Gr**	**%**
Organique	185	71,15%
Emballages	40	15,38%
Couverts en plastique	0	0,00%
Indifférencié	35	13,46%
Total par repas servi	**260**	**100,00%**

Production et consommation du repas Rest. Scolaire		
Type de déchets	**Gr**	**%**
Organique	211	74,82%
Emballages	69	24,42%
Couverts en plastique	0	0,00%
Indifférencié	2	0,76%
Total par repas servi	**282**	**100,00%**

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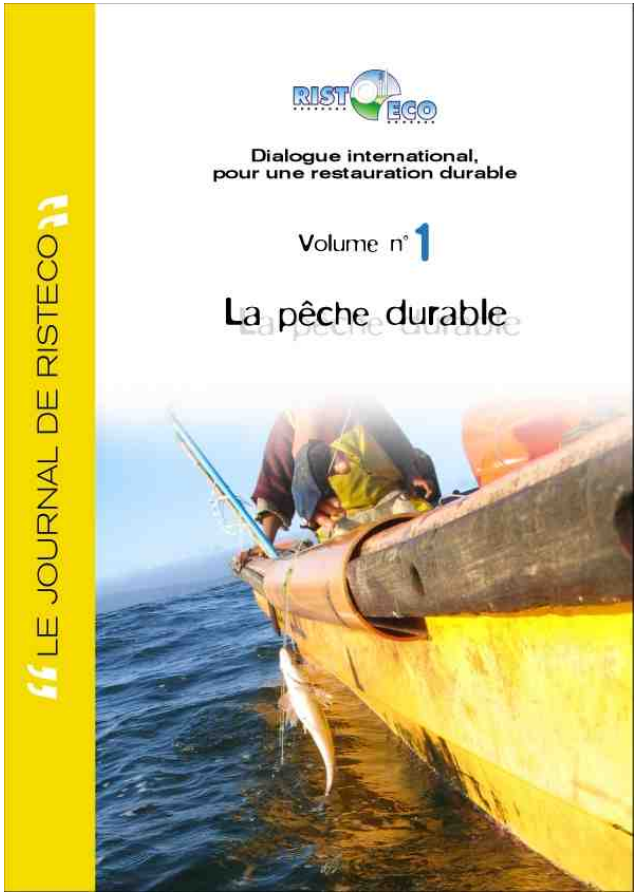
Each meal consumed out of home = 250 g of waste

Meals ingredients, talking about Fish!

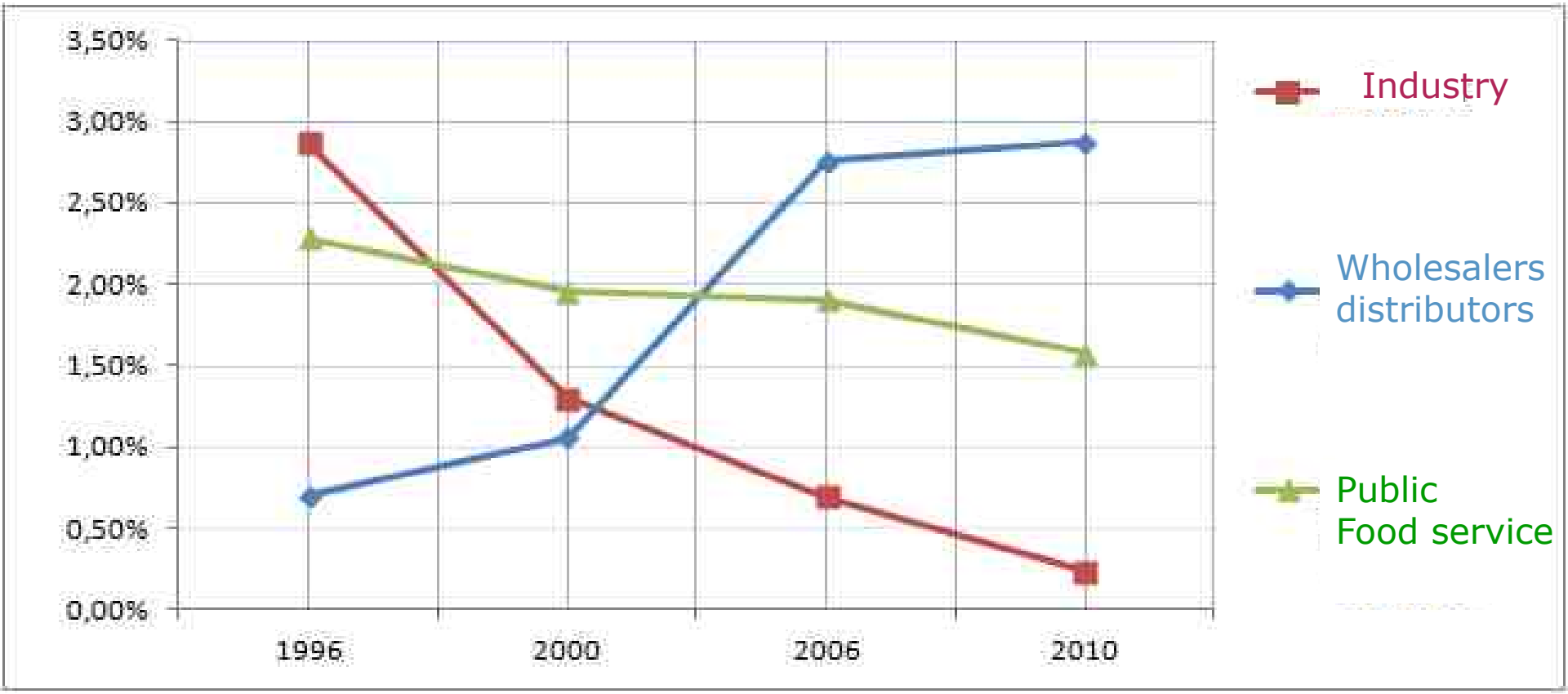


FISHERY / BENEFITS	LARGE SCALE	SMALL SCALE
Subsidies	$$$$$ 25-27 billion	$ 5-7 billion
Number of fishers employed	about 1/2 million	over 12 million
Annual catch for human consumption	about 30 million t	same: about 30 million t
Annual catch reduced to fishmeal and oils	35 million t	Almost none
Annual fuel oil consumption	about 37 million t	about 5 million t
Catch per tonne of fuel consumed	= 1-2 t	= 4–8 t
Fish and other sealife discarded at sea	8–20 million tonnes	Very little

Economical aspects of the supply chain in Italy

Trend of Net Profit

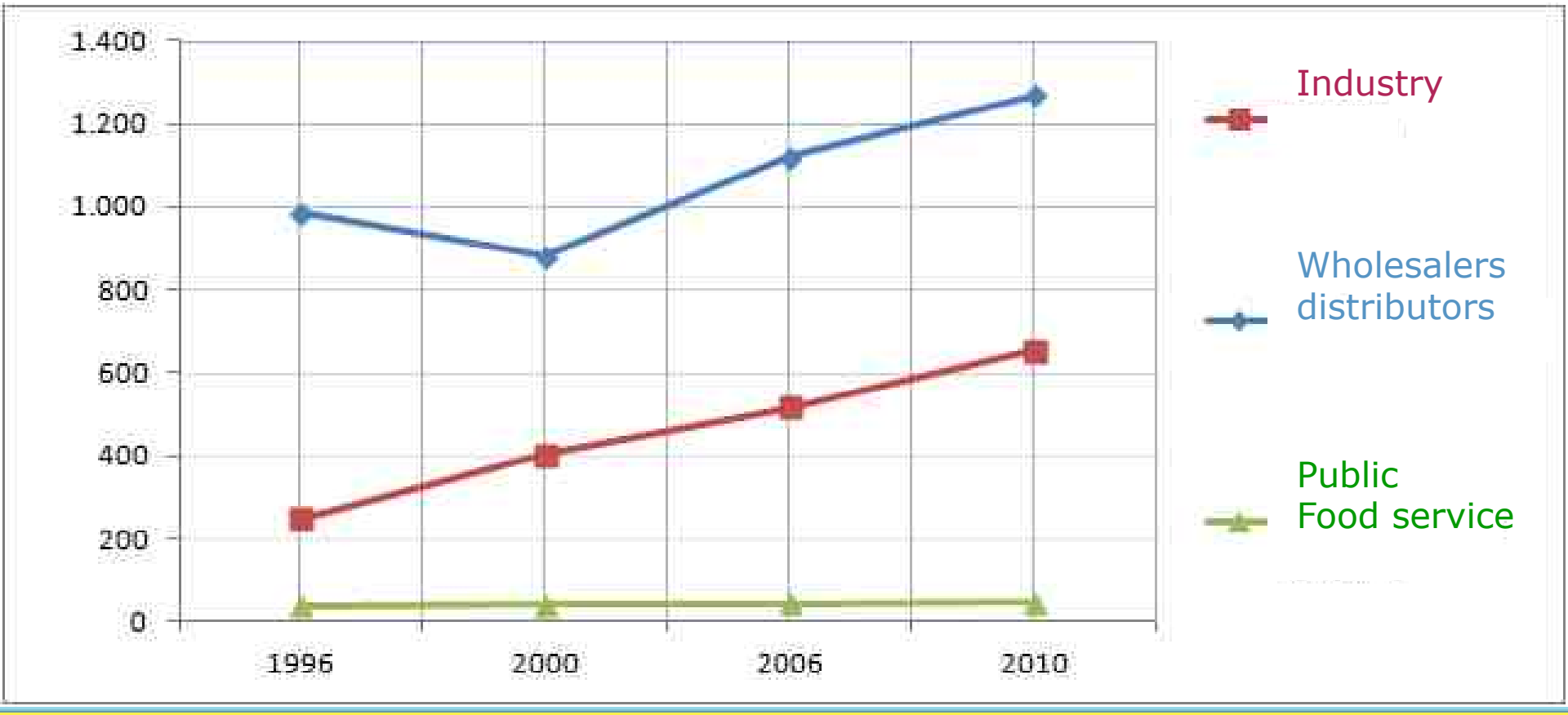
3 main segments of the agro-food supply chain data in % (sample in evolution)



Economical aspects of the supply chain in Italy

Annual Turnover/Workers

3 main segments of the agrifood supply chain data in /000 Euro (sample in evolution)



Financial Key n°of the italian pubblic foodservices:

financial statement analysis years 1996 2010

representative sample of 43% of the whole contract market

SOCIAL FOODSERVICES (IT)	1996	%	2000	%	2006	%	2010	%
Turnover	585.940		1.108.708		1.728.296		1.678.029	
Food Consumption	224.253	38,27%	392.709	35,42%	575.237	33,28%	525.531	31,32%
Labour Cost	264.746	45,18%	460.128	41,50%	746.802	43,21%	715.873	42,66%
Depreciation /Amm	24.337	4,15%	33.486	3,02%	54.481	3,15%	53.943	3,21%
Added value	358.621	61,20%	545.923	49,24%	848.614	49,10%	826.657	49,26%
EBITDA	31.874	5,44%	88.791	8,01%	100.792	5,83%	111.999	6,67%
EBIT	24.410	4,17%	68.216	6,15%	82.998	4,80%	76.203	4,54%
Net Profit	13.391	2,29%	21.688	1,96%	32.883	1,90%	26.397	1,57%
Dipendenti n°	16.088		28.212		39.659		36.660	
Costo Medio Dipendente	16		16		19		20	
Fatturato/Dipendente	36		39		44		46	

In 15 Years from 38,7% to 31,32 % in Food cost ; Labour Cost from 45,18% to 42,66% and at the end less net profit from 2,29 % to 1,57%

Somethings is wrong !!!!

Italian Food Chain Values

(Source: Federalimentare- Italian Market)

	Composizione % prezzo		
	1995	2004	Differenza punti percentuali
Materie prime agricole	15,1	11,8	-3,3
Prodotti dell'Industria Alimentare	31,1	24,5	-6,6
Ristorazione	14,2	15,6	+1,4
Commercio e trasporti	38	46,3	+8,3
Imposte nette	1,6	1,8	+0,2
Totale	100	100	

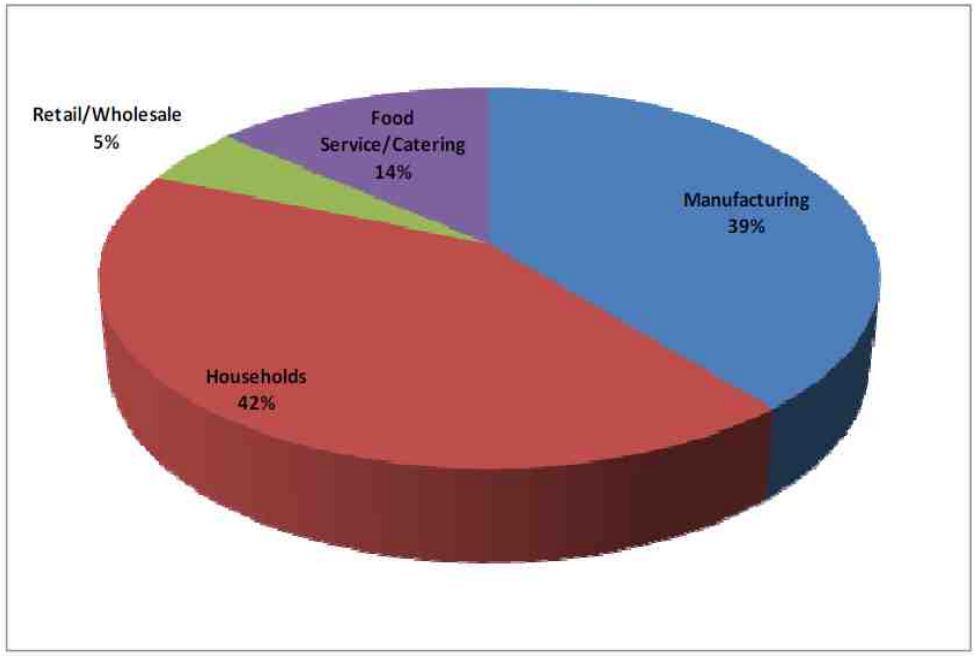
The European F&B Market (Eu 27)

Sector: in EU 27	Annual Tunover	Workers	Turnover/Workers
Food & Beverage Industry (F&B)	**€ 954.000.000.000,00**	**4.200.000,00**	**€ 227.142,86**
Large Company	*€ 494.172.000.000,00*	*1.562.400,00*	*€ 316.290,32*
SMEs	*€ 459.828.000.000,00*	*2.637.600,00*	*€ 174.335,76*
Total Foodservices (Out of Home Cons.)	**€ 468.000.000.000,00**	**7.316.000,00**	**€ 63.969,38**
Total Social Foodservices (SFS)	€ 77.000.000.000,00	2.200.000,00	€ 35.000,00
SFS Contracted	*€ 24.623.000.000,00*	*600.000,00*	€ 41.038,33
*SFS Self Operated***	*€ 52.377.000.000,00*	*1.600.000,00*	€ 32.735,63
Onboard Travel Foodservices	€ 4.300.000.000,00	50.000,00	€ 86.000,00
Other Food Consumption out of home	€ 386.700.000.000,00	5.066.000,00	€ 76.332,41
Home F&B Consumption	**€ 882.000.000.000,00**		

Total food consumption in Eu	**€ 1.350.000.000.000,00**		
Organic "BIO" market value	**€ 18.400.000.000,00**	**1,36%**	

Food Waste in Europe (EU 27)

Percentage breakdown of EU27 food waste arisings by Manufacturing, Households, Wholesale/Retail, and Food Service/Catering sectors (best estimate)



Source: 2006 EUROSTAT data (EWC_09_NOT_093), Various national sources

	Source Eurostat/DG Envi	Tons. of Food Waste		Kg Per Capita [1]
	Totale Food waste in EU27	89.277.472,00	95%	178,65
	Manufacturing	34.755.711,00	39%	69,55
	Households	37.701.761,00	42%	75,45
A	**Foodservices**	**12.498.846,08**	**14%**	**25,01**
	Retails/Wholesales	4.463.873,60	5%	8,93

Assumption by Risteco:

Food waste in PFS

	Meals served per year	22.314.430.798,00	
	Kg Of waste per Meal	0,25	Kg Per Capita [2]
A1	**Total Tonns of Food waste**	**5.578.607,70**	**62,50**

Food waste Foodservices

	Other Consumption Out Home	€	386.700.000.000,00	
	Average Ticket	€	11,00	
	Meals/Contact year		35.154.545.454,55	
	Kg of waste per contact		0,21	Kg Per Capita [3]
A2	**Total Tonns of Food waste**		**7.382.454,55**	**76,65**

A1+A2	Total Tonns of Food waste	12.961.062,24	25,94
	Total Tonns CO_2 eq Emission	25.144.460,76	

Per capita 1= UE Total Population

Per capita 2= / (meals served/250 days)

Per capita 3=/ (Meals/365)

The shift of paradigm

In the past:

Business activity traditionally has been taking into account 3 different resources such as:

Financial, Technical and Human resources

In the future:

Human labour must be put again at the center of economy

Environment must also be taken into account as the 4 th NO endless resource…

such as the first three ones

For a new agri-food supply-chain in symbiosis with the hosting territory.

What are we proposing to you?

The creation of a permanent working group inside the Eating City Platform :

to make shared propositions, specific to public food service supply chain, designing "territorial agencies" able to manage systemically territories food "metabolisms"; getting out of the logic of commodities and recognizing the true value of agro-food chain.

The sector of social foodservices, given its dimension and potential, can be the ideal starting point.

Thanks
for your attention