U.S. Food Waste Pact

# 2025 DATA REPORT

## INTRODUCTION

Data collection, analysis, and aggregated public reporting is a central pillar of the U.S. Food Waste Pact (Pact) and its efforts to support signatories' food waste reduction through data-driven strategies. In 2024, Pact retail and foodservice signatories reported their previous year's national food waste data for the first time, **building on a legacy of best-in-class data**. 2025 marks the second year of national Pact signatory reporting, providing a look into year-over-year trends in the retail and foodservice sectors.

Across all food business sectors, food waste measurement is critical for food waste reduction initiatives, as it is used to:

- Establish a baseline for improvement
- Monitor progress
- Identify hotspots that need action
- Highlight successes that can be replicated

These datasets represent the most recent analysis of national retail and foodservice food waste, contributing to the larger global body of knowledge about food waste reduction. The data presented in this report are national estimates, scaled from signatory-reported data, and reflect what food waste outcomes would be if all retailers and corporate dining foodservice operators performed at levels comparable to Pact signatories.

*Note that both datasets use the most recent data reported by signatories, which is data from 2024.*

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# U.S. FOOD WASTE PACT
# RETAIL DATA

**REPORTING SIGNATORIES MAKE UP 54.4% OF THE RETAIL SEGMENT IN THE UNITED STATES**

Building on **last year's inaugural report**, the U.S. Food Waste Pact is reporting its second year of national retail unsold food data. This report examines the 2024 unsold food landscape, analyzes key performance metrics—including unsold food and destination rates—and assesses the impacts associated with unsold food volumes and their destinations. The data in this report highlights year-over-year trends and shares insights, progress, and hotspots to support data-driven action in the food business ecosystem.

KEY METRICS

**2.90%**
Unsold food rate
.04 PERCENTAGE POINTS FROM 2023

**3.98M**
Tons of unsold food
77.8K TONS FROM 2023

**$26.9B**
Lost sales
$1.3B FROM 2023

**23.4 lbs**
Unsold food per capita
.05 LBS/CAPITA FROM 2023

### DEFINING UNSOLD FOOD RATES

Unsold food includes all food that went unsold in each grocery store department, including both edible food and inedible scraps (pits, peels, etc.). Unsold food rates are the most important metric for tracking progress in retail because it represents actual food waste reduction practices rather than market fluctuations or business performance. For more about unsold food rates, please reference the *About Our Methodology* section.

# **Unsold Food** | Overall Trends

Between 2023 and 2024, the average **overall unsold food rate decreased by 1.1%, or 0.04 percentage points, for reporting Pact retailers**.

This year of national data reporting shows that nearly four million tons of food went unsold, representing $26.9 billion in the value of lost sales. The national average unsold food rate declined 1.1% (0.04 percentage points) from 2023 to 2024 (Charts 1 and 2). However, actual tonnage increased 2%, while the retail value of unsold food rose 5.1%. These changes are likely driven by an increase in sales growth, both in terms of actual volume and food prices (2.5% increase in national sales revenue and 0.9% increase in tons sold, Chart 3). When normalizing food waste for population growth, unsold food per capita remained flat year-over-year at 23.4 pounds. Volume of unsold food increased most in the highest-priced departments, a trend seen in previous years. The department analysis, which breaks down trends by food category (Breads & Bakery, Fresh Meat & Seafood, etc.), will explore drivers of the increased unsold food retail value and tonnage beyond higher food prices and sales growth.

**CHART 1 |** Tons Unsold & Unsold Food Rate by Year

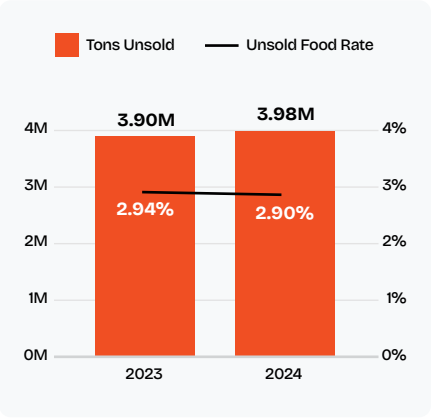



**CHART 2 |** Retail Value of Unsold Food by Year

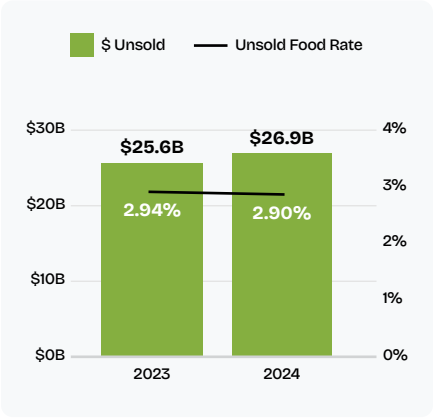
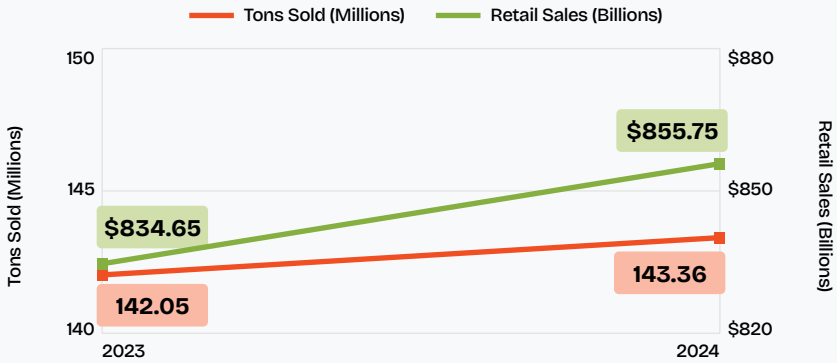



**CHART 3 |** Sales Growth by Tons Sold and National Revenue[1]




**Between 2023 and 2024**

**TONS OF SOLD FOOD GREW BY 0.9%** | **NATIONAL REVENUE GREW BY 2.5%**

# **Unsold Food Rates** | Department Level Trends

Fresh departments continue to lead in unsold food rates, specifically Prepared Foods, Breads & Bakery, Produce, and Fresh Meat & Seafood (Chart 4). Consistent with previous reporting, Produce leads in terms of volume of unsold food with 1.3 million tons, two times that of any other department (Chart 5). Prepared Foods and Fresh Meat & Seafood contribute the most to the retail value of unsold food (Chart 5), due to the compounding effects of high unsold volume and high retail price per pound.

[1] Sales growth data is derived from Nielsen Retail sales data.

**CHART 4 |** Unsold Food Rate by Department by Year

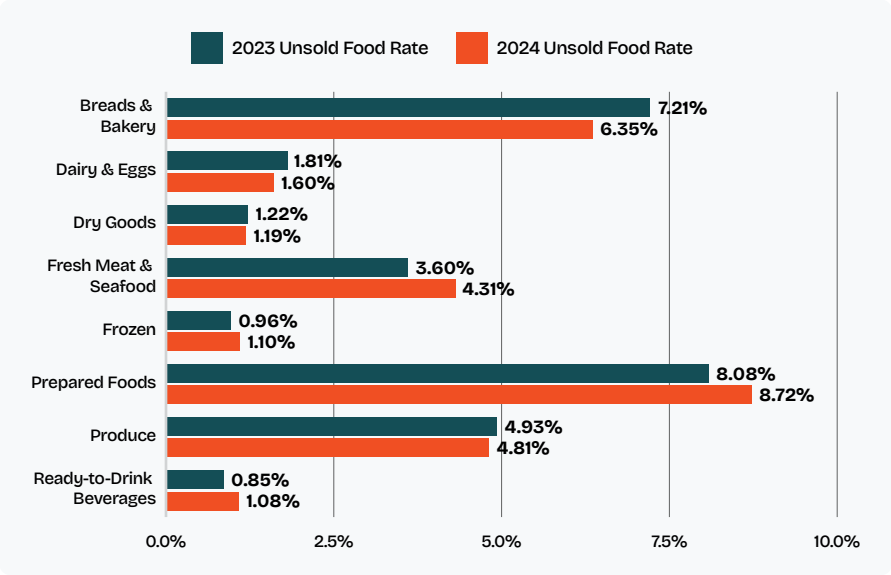
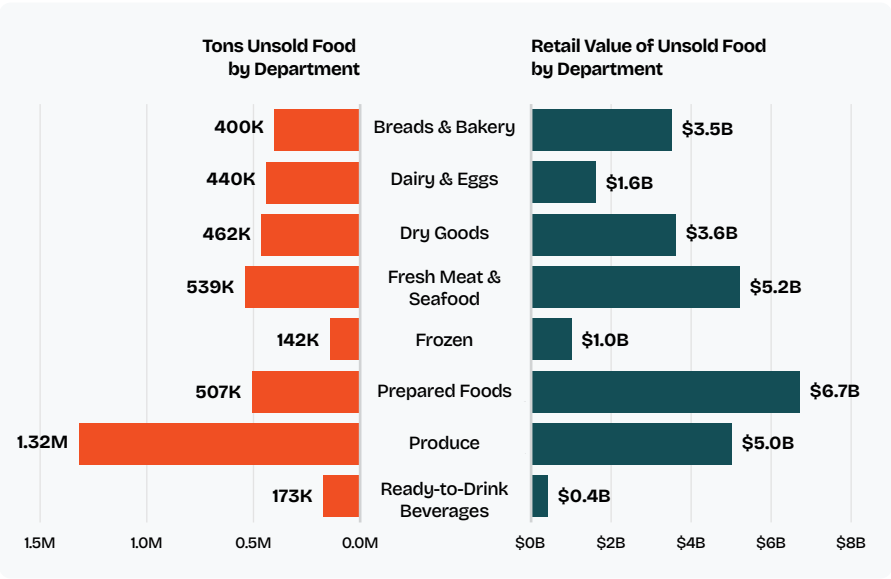



**CHART 5 |** Tons & Retail Value of Unsold Food




To fully understand unsold food and its associated impacts, it is important to consider variation across key metrics, including rate, volume (tons), and value (dollars). Charts 6 and 7 on the following page are “waterfall charts” that break down the total change in unsold food tonnage and retail value by department, showing which categories contributed to increases or decreases. Positive values (in orange) add to the total, while negative values (in green) reduce it, illustrating the shifting composition of unsold food in 2024. For example, Fresh Meat & Seafood saw the largest increase in both tonnage and retail value, while Breads & Bakery had the most substantial decreases.

Fresh Meat & Seafood had the largest increase in tonnage of unsold food (Chart 6), contributing 97,000 tons or 47.7% of total growth. The department’s unsold food rate rose 19.7% (Chart 4), and price per pound rose 2.9% (Chart 9) which amplified the retail value of unsold food in this department. Prepared foods followed a similar trend—unsold food rates grew 8%, with an additional 50,000 tons reported compared to 2023 (24.5% of growth). Together, these departments account for 72.2% of 2024’s unsold food growth in tons. Elevated protein prices from 2023 to 2024 may have introduced demand planning challenges. Despite greater investment in forecasting, consumer demand in discretionary, higher-priced categories remains highly elastic; even small price movements can shift purchasing in ways that make it difficult to forecast with historical data.

In contrast, other perishable categories, Breads & Bakery and Dairy & Eggs, achieved the largest unsold food rate reductions at approximately 12% each (Chart 4). Collectively, these departments represent 21% of unsold food tonnage and had a meaningful impact on overall tonnage reductions (88% of 2024’s unsold food tonnage decline, Chart 6). However, Dairy & Eggs price per pound rose 4.2% (Chart 9), limiting the apparent retail value decline.

Produce accounts for 33% of unsold tonnage but only 18.5% of retail value (Chart 8). The department's 2.5% unsold food rate reduction, offset by a 2.6% sales growth and 0.9% price growth (Chart 9), kept the volume and retail value of unsold food essentially flat between years for Produce (Charts 6 and 7).

**CHART 6 |** Department Contributions to Change in Tons Unsold

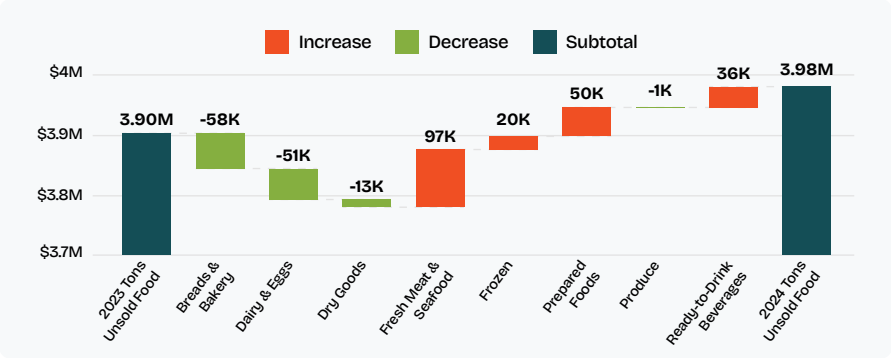
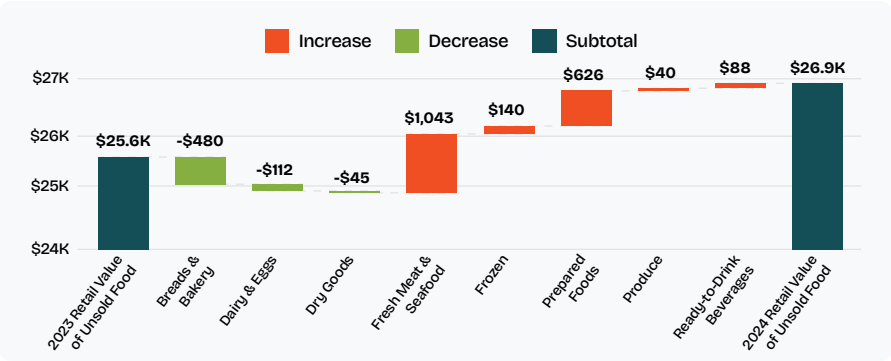



**CHART 7 |** Department Contributions to Change in Retail Value of Unsold Food (in Millions)



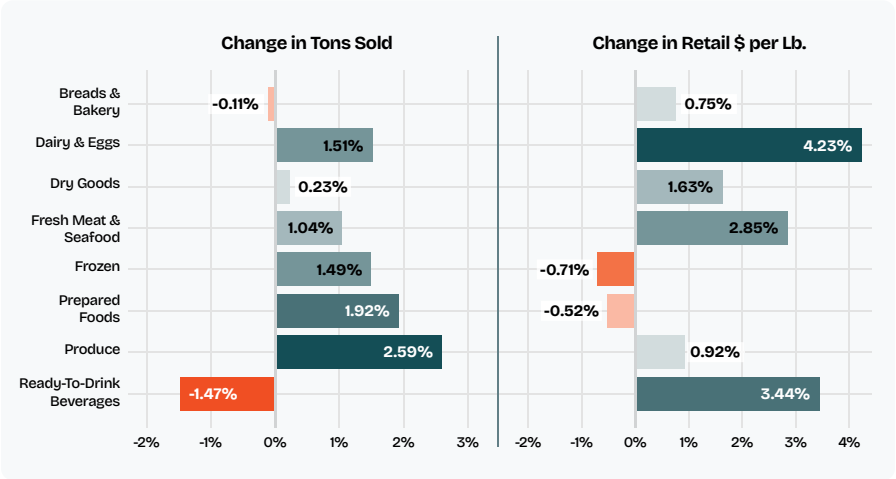

Frozen, Dry Goods, and Ready-to-Drink (RTD) Beverages maintained unsold food rates around 1% in both years (Chart 4). While Frozen and RTD Beverages had slight increases in unsold food rates, their combined share of tonnage and retail value remains too small to affect aggregate trends (Chart 8).

**CHART 8 |** Percent of Tons & Retail Value of Unsold Food

| Department | % Tons Unsold Food | % Retail Value of Unsold Food |
|---|---|---|
| Breads & Bakery | 10.06% | 12.98% |
| Dairy & Eggs | 11.05% | 5.87% |
| Dry Goods | 11.60% | 13.22% |
| Fresh Meat & Seafood | 13.55% | 19.18% |
| Frozen | 3.57% | 3.81% |
| Prepared Foods | 12.73% | 25.00% |
| Produce | 33.10% | 18.54% |
| Ready-to-Drink Beverages | 4.34% | 1.39% |

These department-level trends show that while certain perishable categories like Breads & Bakery and Dairy & Eggs indicate enhanced inventory management, departments like Fresh Meat & Seafood and Prepared Foods remain vulnerable to rising unsold food rates despite greater potential cost savings in food waste reduction as high-value departments.

**CHART 9 |** Year-Over-Year Change in Tons Sold and Retail Price by Department

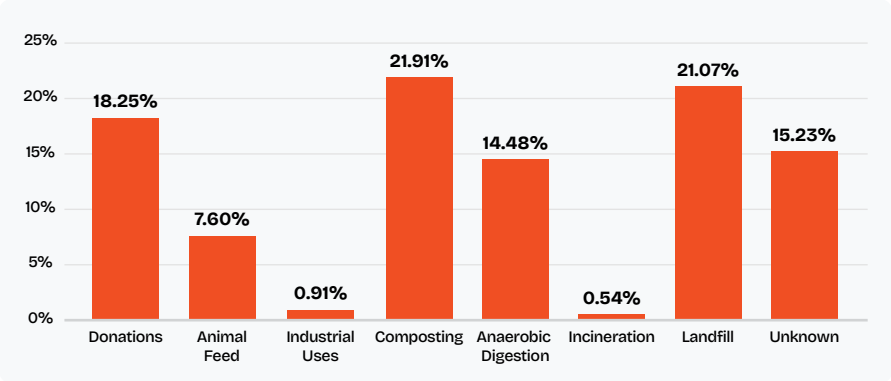


## Destination Rates Trends

Unsold food is sent to a variety of destinations, which the EPA ranked from most to least preferred with the **Wasted Food Scale**, updated to include rendering in December 2025. If food can't be prevented from becoming surplus, it is preferable to keep it in the human supply chain, first through donation to food banks. If food cannot be recovered for human consumption, recycling it into animal feed is the next most preferable option. Recycling pathways that valorize the food material, such as composting and anaerobic digestion, are preferred if food cannot be recovered for human or animal consumption. Finally, the least preferred destinations are landfill, incineration, or sewer, as they do not utilize that food to its highest and best use.

Following the preferred destination scale outlined above, donations had the third highest destination rate (18.3%) (Chart 10). Sending surplus food to donations not only provides retailers with opportunities to support hunger-fighting efforts in their local communities; it can often be a cost-effective path of managing surplus food. Animal Feed has a relatively low destination rate of 7.6%, likely due to lack of animal feed infrastructure and availability. Composting and Anaerobic Digestion make up the largest portion of surplus destinations, 21.9% and 14.5% respectively.

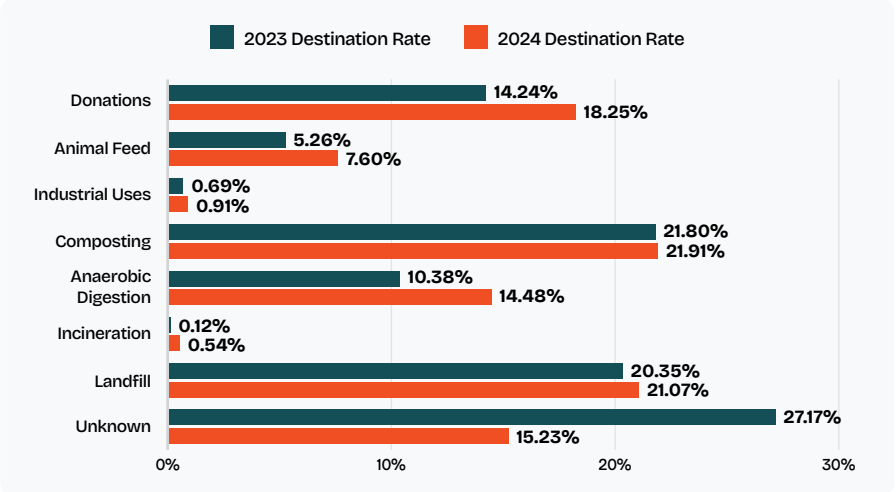
**CHART 10 |** 2024 Destination Rates




Landfill, one of the least preferred destinations, has the second highest rate at 21.1%. This could be due to lack of availability for donation and recycling infrastructure, as well as higher costs associated with recycling programs. There also continues to be a significant portion of surplus with an unknown destination, reflecting a disconnect in surplus and destination reporting.

However, the Unknown destination[2] rate dropped from 27% to 15%, a 44% decrease (Chart 11). Every other destination increased in tonnage year-over-year (Chart 12), which suggests that retailers are categorizing surplus more accurately rather than defaulting to Unknown. Because over a quarter of 2023 destinations were reported as Unknown, year-over-year comparisons tell us more about reporting improvements than destination rate trends. Several signatories noted enhanced accuracy in their destinations reporting in their 2024 data, as well as continued focus on diversion from landfill. Improvements in reporting are a crucial and foundational step to enable better monitoring and provide actionable insights, meaning that the 2024 data provides a more reliable baseline for tracking future progress.

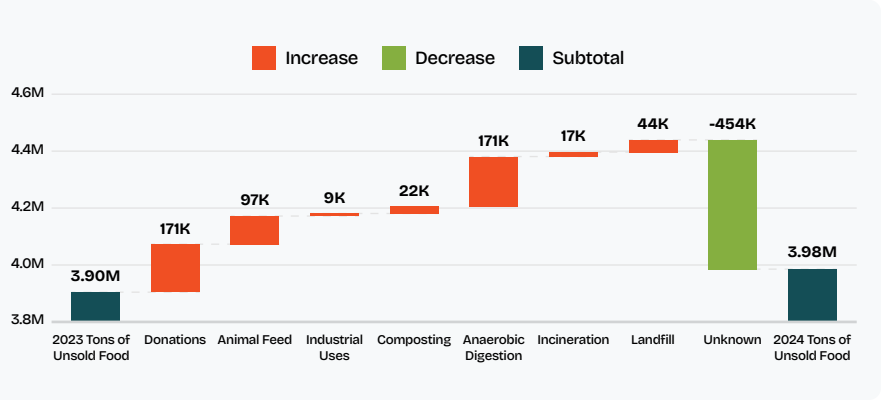
**CHART 11 |** Destination Rates 2023 vs. 2024




[2] For more on Unknown destination rates, see the *About Our Methodology* section.

In 2024, surplus food shifted toward more preferable destinations. Donations, Animal Feed, and Anaerobic Digestion all increased from last year (Chart 11). Donations and Anaerobic Digestion also contributed the highest year-over-year tonnage increases at 171,000 tons each (Chart 12). Signatories noted increased use of Anaerobic Digestion, particularly when vendors offered a fully packaged program as it reduces labor needs to depackage food before sending to diversion facilities. Landfill also saw an increase (up 0.7 percentage points), which is likely a factor of enhanced destination reporting rather than an actual increase in surplus going to landfill. This could also be attributed to the increases seen in Donations, Animal Feed, and Anaerobic Digestion.

**CHART 12 |** Destination Contributions to Change in Tons of Unsold Food




## Impacts of Unsold Food

Understanding unsold food's environmental and social impacts is critical for retailers to measure progress against sustainability and emissions reduction goals. The impacts of retail unsold food across the country in 2024 are scaled up from Pact signatory data to reflect the national retail operations, and they are calculated using U.S. average impact factors that underlie ReFED's **Impact Calculator** (Chart 13).

The most significant change in impacts from 2023 is the increase in meals donated, which is reflected by the growth in donations (Chart 12). The increases in Total Greenhouse Gas (GHG) Footprint, Methane Footprint, Water Footprint, Lost Sales, and Social Cost of Carbon are all likely due to the sales growth of the Retail market (Chart 3), since these estimates are based on volume of unsold food rather than rates.

**CHART 13 |** Impacts of National Retail Unsold Food

| Impact of National Retail Unsold Food in 2024 | | CHANGE FROM 2023 |
|---|---|---|
| MEALS DONATED | **1.21 Billion Meals**<br>Enough to feed 1.1 million people for one year | ↑ 30.7% |
| TOTAL GHG FOOTPRINT | **16.44 Million $MTCO_2e$**<br>Equivalent to driving 3.8 million cars for a year | ↑ 6.3% |
| METHANE FOOTPRINT | **190,766 MTCH4**<br>Equivalent to powering 1.1 million homes' energy use for a year | ↑ 3.0% |
| WATER FOOTPRINT | **1.22 Trillion Gallons of Water**<br>Equivalent to 1.8 million Olympic-sized swimming pools | ↑ 13.1% |
| LOST SALES | **$26.93 Billion**<br>Equivalent to 3.15% of annual national food sales | ↑ 5.1% |
| SOCIAL COST OF CARBON[3] | **$4.15 Billion** | ↑ 7.4% |

[3] The social cost of carbon is a measure of the cost of future damages to society that will result from climate change—including crop losses, destruction or damage of infrastructure, and health impacts during extreme events like heat waves.

# U.S. FOOD WASTE PACT
# FOODSERVICE DATA

**REPORTING SIGNATORIES MAKE UP 81% OF THE FOODSERVICE (BUSINESS & INDUSTRY) SEGMENT IN THE UNITED STATES[4]**

The scope of national foodservice reporting is corporate dining operations, also known as the Business & Industry subsector. Therefore, the data below is extrapolated to the corporate dining industry only, not total foodservice. Foodservice is a business of transforming and preparing food, which can generate non-edible food like trim waste. This differs significantly from retail in an operational sense. Due to these differences, Frozen has been excluded from department analysis; although ingredients may be purchased as frozen, they are no longer frozen when reported as surplus. Lastly, this report includes the first year of foodservice cause data, providing deeper insight into what is driving food surplus.

KEY METRICS

**3.99%**
Food efficiency rate
0.24 PERCENTAGE POINT FROM 2023

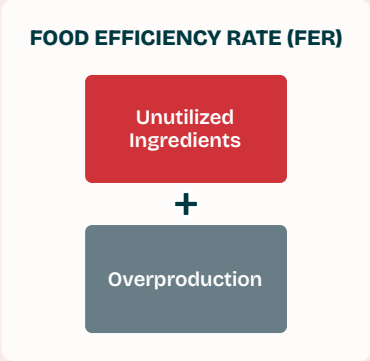
**14,129**
Tons of surplus food[5]
4K TONS FROM 2023

**$52.6M**
Wholesale cost of surplus food[6]
$15.9M FROM 2023

## DEFINING FOOD EFFICIENCY RATES (FER)

Food surplus in the foodservice sector is measured using a Food Efficiency Rate (FER), which is a blended metric that includes both overproduction and unutilized ingredients. FER quantifies food waste as a percentage of total food purchases, and a lower FER indicates less food going to waste out of the food purchased. For more about food efficiency rates, please reference the *About Our Methodology* section.

**CHART 14 |** Food Efficiency Rate (FER)



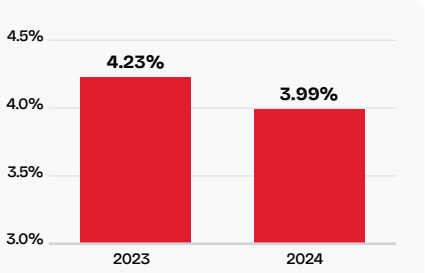

[4] See the *About Our Methodology* section for more details on how market share data is used.
[5] The tons calculated in this report for the Business & Industry Foodservice subsector differ from ReFED's Food Waste Monitor due to scope and calculation methodology. See the *About Our Methodology* section for more details.
[6] The estimated cost of surplus ingredients is calculated by multiplying the tons of surplus generated by industry average wholesale price per pound by department and does not account for differences in unutilized ingredients and overproduction.

## **Surplus Food** | Overall Trends

Business & Industry reporting in 2024 indicates that the subsector generated 14,129 tons of surplus food, amounting to an estimated $52.6 million in ingredient costs. Between 2023 and 2024, **Food Efficiency Rates decreased by 5.7% for reporting Pact foodservice signatories.** Signatories cited operational efficiencies, such as improved storage practices to extend shelf life, team training, and site-level accountability through goal setting, as key drivers of FER reduction. In addition, many signatories highlighted a strong correlation between waste tracking and food waste reduction, noting that sites that measure waste tend to improve over time due to increased awareness.

> "We found that sites that track their waste inherently perform better (reduce waste) over time simply from the awareness tracking brings."
>
> — A PACT FOODSERVICE SIGNATORY

**CHART 15 |** Food Efficiency Rate by Year




## **Surplus Food** | Department Level Trends

Chart 16 details the FER by department, with Produce as the standout at 13.5%. Signatories confirmed that the high FER in Produce is likely attributable to a combination of relatively low unit cost, high perishability of Produce items, and the significant amount of trimmings and byproducts generated when transformed into prepared dishes. Prepared Foods is also a significant contributor of food surplus with an FER of 4.9%, as foodservice transforms ingredients into Prepared Foods. Dairy & Eggs has the lowest FER at 0.79%, but contributes substantially to total tons of surplus food (Chart 18) as it has the highest volume of ingredients purchased (Chart 19).

**CHART 16 |** Food Efficiency Rate by Department

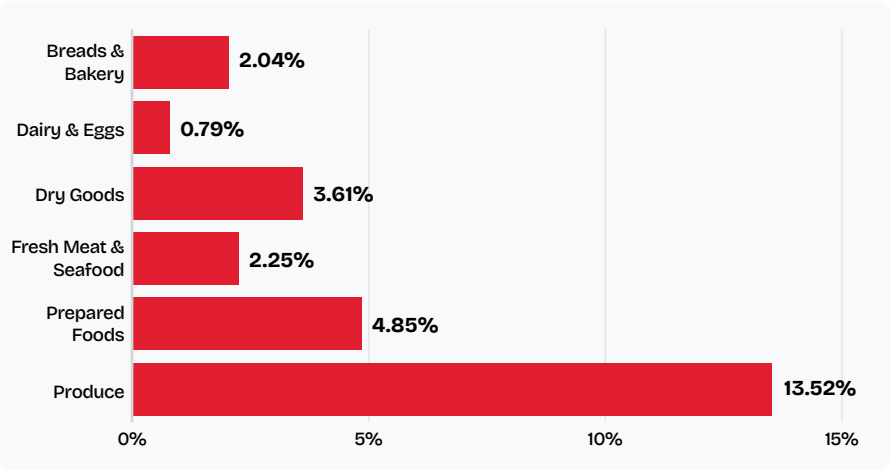
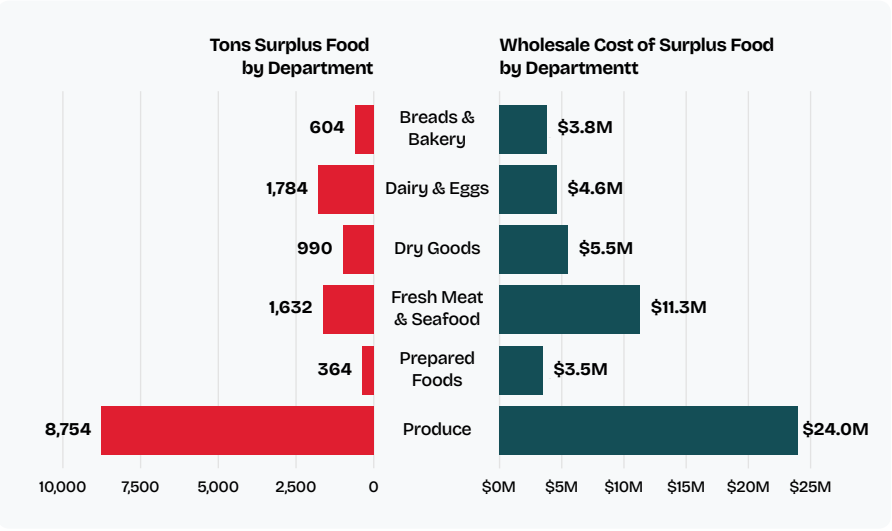



**CHART 17 |** Tons Surplus & Wholesale Cost of Surplus Food




Trimmings & Byproducts account for

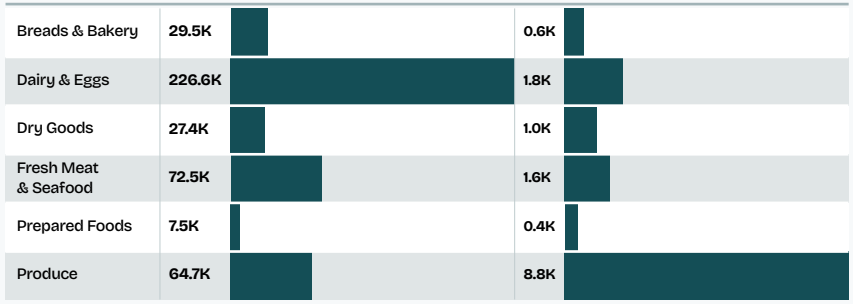
**67.5%** OF PRODUCE SURPLUS TONS

Produce represents the largest share of surplus food by tonnage, accounting for 62% of total tons and 45.6% of the wholesale cost of surplus food (Chart 18), despite having the second-lowest wholesale price per pound. Similar value-volume dynamics appear across both retail and foodservice sectors, particularly in high-value departments, such as Fresh Meat & Seafood. While Fresh Meat & Seafood accounts for 11.6% of surplus tons (Chart 18), it represents a disproportionate 21.4% of total wholesale cost, reflecting its higher unit value. In contrast, Dairy & Eggs has the lowest wholesale cost per pound, contributing 12.6% of surplus tons but only 8.8% of wholesale cost (Chart 18).

**CHART 18 |** Percent of Tons & Wholesale Cost of Surplus Food

| Department | % of Total Tons Surplus | % of Total Wholesale Cost of Surplus Food |
|---|---|---|
| Breads & Bakery | 4.27% | 7.20% |
| Dairy & Eggs | 12.62% | 8.75% |
| Dry Goods | 7.01% | 10.43% |
| Fresh Meat & Seafood | 11.55% | 21.41% |
| Prepared Foods | 2.58% | 6.62% |
| Produce | 61.96% | 45.59% |

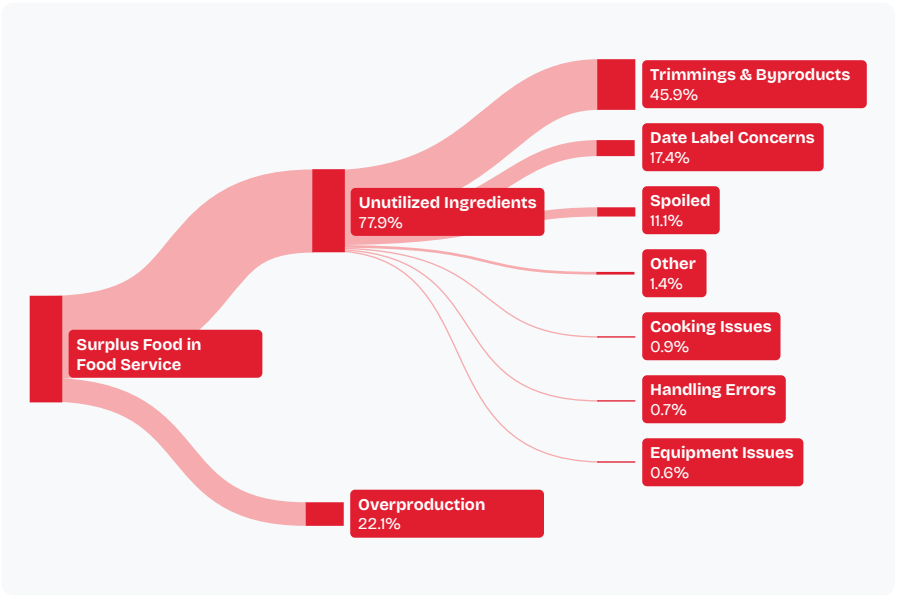
**CHART 19 |** Comparison of Tons Purchased and Tons Surplus




## **Surplus Causes** | 2024 Landscape

In 2025, foodservice signatories began reporting how surplus food is categorized by causes, providing greater insight into the drivers and potential solutions to surplus food. Chart 20 shows how surplus food is reported as either overproduction or unutilized ingredients, representing the split between front and back of house. Additionally, there are insights into the underlying causes of ingredients going unutilized. While **plate waste is a significant source of surplus in the foodservice sector** overall, it is excluded from this analysis, as it occurs at the consumer level and falls outside the scope of this report.

**CHART 20 |** Foodservice Causes by Cause Type

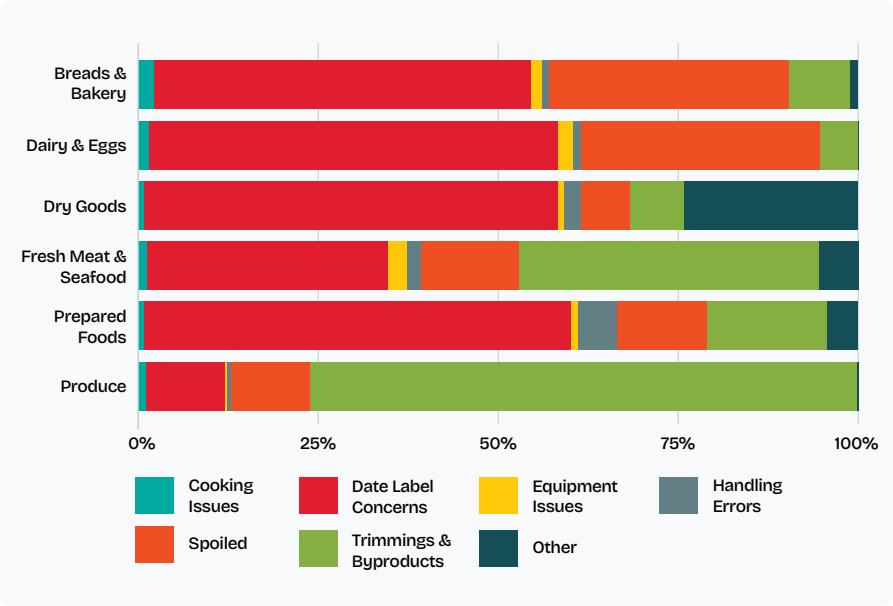



Across all causes of surplus food, Trimmings & Byproducts emerged as the leading driver, accounting for nearly 46% of surplus (Chart 20). Fresh Meat & Seafood and Produce drive the majority of Trimmings & Byproducts surplus; together, these departments represent over 73% of total surplus

volume (Chart 18). Overproduction is also a leading cause, contributing 22% of surplus. These findings align with signatory expectations: both Overproduction and Trimmings & Byproducts were anticipated as leading causes of unsold food. Client expectations for fully stocked service lines and catering trays, reinforced through employee training, drive overproduction volume.

Chart 21 isolates cause rates for Unutilized Ingredients by department. Date Label Concerns is a leading cause in most departments; however, as these departments account for less of the surplus tonnage, this is not mirrored when looking at all causes. In Fresh Meat & Seafood, Overproduction is the primary driver, followed by Trimmings & Byproducts (25%). For Produce, Trimmings & Byproducts dominate, accounting for 67.5% of surplus. Spoilage remains a meaningful contributor across most departments, with the exception of Dry Goods, which has greater shelf-stability.

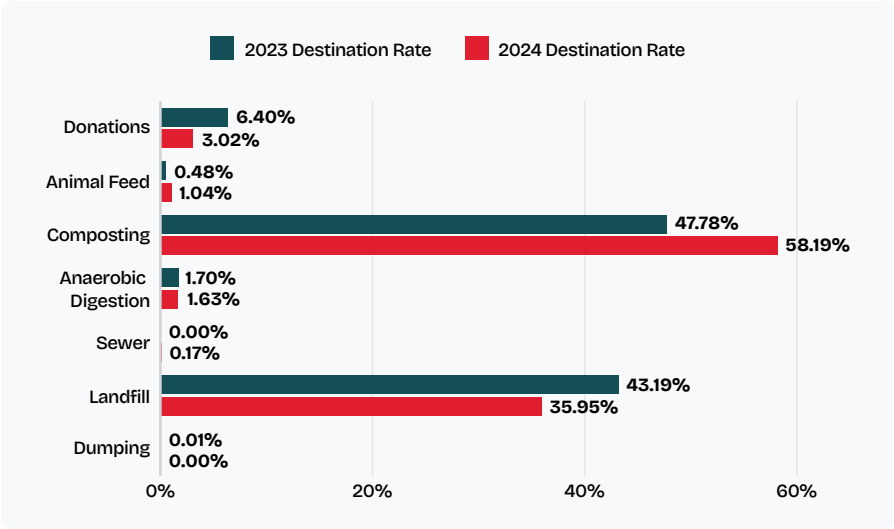
**CHART 21 |** Unutilized Ingredients Cause Rates




## Destination Rates Trends

In foodservice, destination pathways are largely determined by client-owned infrastructure rather than foodservice operators themselves. The 2024 data shows a high reliance on composting, which accounted for 58% of surplus food destinations (Chart 22). With Landfill representing the second-largest destination at 36%, the availability and cost of composting infrastructure play a critical role in diverting surplus food away from landfill. Regions with mandatory landfill diversion policies tend to have stronger composting infrastructure, while other areas face limited access, higher costs, and fewer service providers. Signatories correlated this high composting rate with the reported locations having access to municipal composting, and noted this may not represent the national average.

**CHART 22 |** Destination Rates 2023 vs. 2024




The donation rate for foodservice is considerably lower than retail, at 3% in 2024 (Chart 22). Donation in the foodservice sector is constrained by logistical and regulatory challenges, including food safety requirements, limited refrigeration capacity at food banks, and the difficulty of tracking

time and temperature controls for prepared foods. As a result, only 4.1% of surplus food is directed to pathways that come before composting on the EPA's Wasted Food Scale. This gap highlights an opportunity for the industry to shift food waste from landfill to donation to food banks, recycling into animal feed, or industrial uses where appropriate and feasible.

Overall destination trends remained relatively consistent year-over-year, with the most notable changes in Composting, Landfill, and Donations. Composting had 22% growth in 2024, a 10.4 percentage point difference which indicates that food that previously went to Landfill and possibly Donations is now going to Compost. Landfill had a 17% decrease (7 percentage point difference) and Donations decreased by 3.4 percentage points year-over-year (Chart 22). While this translates to a 53% relative decline in Donations, the modest absolute change means reporting variance (e.g., different sites participating each year) could account for much or all of the observed trend. Additional reporting cycles will help distinguish between true behavioral change and sample composition effects.

## Impacts of Surplus Food

Understanding surplus food's environmental and social impacts is critical for foodservice companies to measure progress against sustainability and emissions reduction goals. The impacts of corporate foodservice surplus food across the country in 2024 are scaled up from Pact signatory data to reflect national corporate dining operations, and they are calculated using U.S. average impact factors that underlie ReFED's **Impact Calculator**.

The meals donated decreased significantly year-over-year, which is in line with the decrease seen in the donation rate (Chart 22). All other impacts have decreased in 2024 due to the decrease in FER and overall surplus food tons.

**CHART 23 |** Impacts of National Foodservice Surplus Food

| Impact of National Foodservice Surplus Food in 2024 | | CHANGE FROM 2023 |
|---|---|---|
| MEALS DONATED | 711K Meals<br>Enough to feed nearly 650 people for one year | ↓ 63.8% |
| TOTAL GHG FOOTPRINT | 58.4K $MTCO_2e$<br>Equivalent to driving over 13,600 cars for a year | ↓ 21.0% |
| METHANE FOOTPRINT | 569 MTCH4<br>Equivalent to powering over 3,300 homes' energy use for a year | ↓ 22.1% |
| WATER FOOTPRINT | 3.1 Billion Gallons of Water<br>Equivalent to over 4,700 Olympic-sized swimming pools | ↓ 18.3% |
| LOST SALES | $52.6 Million<br>Equivalent to 3.15% of total ingredient wholesale cost | ↓ 23.3% |
| SOCIAL COST OF CARBON[7] | $16.6 Million | ↓ 20.7% |

> "Continued focus on tracking waste, proper storage to extend shelf life, training teams, setting goals that hold sites accountable and help drive progress."
>
> — A PACT FOODSERVICE SIGNATORY

[7] The social cost of carbon is a measure of the cost of damages to society that result from climate change—including crop losses, destruction or damage of infrastructure, and health impacts during extreme events like heat waves.

# ABOUT OUR METHODOLOGY

The Pact centralizes its data collection efforts by leveraging ReFED sector-based Calculators, tools designed to consolidate and simplify food waste data reporting across diverse platforms. ReFED enhances these tools with comprehensive measurement guidelines, personalized technical support for data identification and refinement, and meticulous data review to ensure accuracy, completeness, and gap identification. This year, ReFED transitioned to using a web-based app with built-in resources to streamline and enhance the data collection process. All collected data undergoes anonymization and aggregation, with publication contingent on meeting strict criteria regarding market share and the number of contributing entities to maintain anonymity.

At the heart of this work is the conviction that robust data collection is indispensable for any successful food waste reduction strategy. By deepening the understanding of the dynamics of food waste—its origins, causes, and trends—targeted, efficient interventions can be crafted more effectively. The Pact goes further than merely diagnosing the issue; it empowers businesses with actionable, decision-ready data by establishing baselines, benchmarking, monitoring progress, and prioritizing interventions, thereby enabling substantial and meaningful reductions in food waste.

It is important to note that as signatory reporting progresses, measurement practices are becoming more entrenched. Therefore, in these first few years, changes seen in the data from year to year may reflect improvements in measurement and reporting in addition to actual increases or decreases in unsold food.

## About the Unsold Food Rate

**Unsold food rates measure the share of inventory retailers do not sell, directly impacting their revenue and contributing to broader societal and environmental issues.** This surplus represents wasted resources and unnecessary emissions to produce the food that goes unsold, leading to lost sales and inflated consumer prices. The total unsold food rate is currently calculated using a flat average across reporting signatories. This approach weights each signatory's data equally to prioritize anonymity, but as a result, market size differences aren't reflected in the aggregate estimates. ReFED is always looking to improve its methodology and will be prioritizing enhancing the unsold food rate calculation in the coming year.

**Efficiently managing unsold food transcends waste reduction; it is vital for the sustainability of the food system and an equitable society.** By focusing on prevention and optimizing the redirection of surplus food into the human supply chain, retailers can decrease environmental impacts, feed more people, and lower consumer costs, enhancing food distribution sustainability. Addressing unsold food rates demands comprehensive

strategies that prioritize waste prevention, effective redistribution, and, as a last resort, environmentally conscious disposal.

## About the Unknown Destination Rate

**The Unknown Destination Rate quantifies the proportion of unsold food whose final destination cannot be accounted for within a retailer's tracking system.** ReFED's Calculator model operates under the assumption that untracked food waste, shown in the unsold food categorized in "Unknown" destination, is destined for landfill. As a result, reported emissions could be overestimated if unsold food categorized as "Unknown" is actually sent to Donations or other destinations with a smaller carbon footprint than landfill.

**A high Unknown Destination Rate is a critical metric**, suggesting that the actual amounts of food donated or wasted are likely much higher than reported. Conversely, a lower Unknown Destination Rate can indicate improved measurement and tracking, as was the case this year.

**The Unknown Destination Rate underscores the need for robust waste tracking systems.** In the retail industry, reporting inaccuracies are likely due to destination data coming from external food waste vendors, food banks and/or pantries, recycling partners, and other external partners. Therefore, retailers do not have the level of control in data collection as they do for surplus data which is based off of internal metrics. Enhanced accuracy in tracking is not just a matter of operational efficiency but is crucial for environmental sustainability. By identifying and addressing the gaps in food waste reporting, retailers can take more effective steps toward reducing their environmental footprint.

## About the Food Efficiency Rate

**The Food Efficiency Rate (FER) quantifies food waste as a percentage of total food purchases.** A lower FER indicates less food waste. This blended metric accounts for both unutilized ingredients and overproduction. Due to the differences in business model and data collection from retail, foodservice demanded a specific metric to help calculate surplus food. This report applies FERs to a more specific subset of industry sales data, which leads to a different total tonnage estimate and different distributions across food departments. The rates published in this report will be integrated into future ReFED Insights Engine updates as multiple years of data have now been collected, supporting greater methodological consistency. In addition, no post-consumer or plate waste was included in this year's dataset due to inconsistent measurement methodology in the industry.

This year, a Weighted FER protocol was implemented and adjusted, which accounted for data confidence and was a response to feedback on the need for accurate, representative industry benchmarks. Reporting signatories shared varying levels of confidence in their data due to limited access, varying definitions, or inconsistent site reporting. This variability can lead to FERs that may not reflect the full picture of a company's food waste footprint. **Weighted FER aims to account for data quality, ensuring benchmarks are representative without penalizing transparent reporting.**

This new approach supports data reporting goals by avoiding counter-productive incentives and supporting real progress. Extremely low or high Food Efficiency Rates can reflect incomplete data or data from a small subset of the overall portfolio, not actual performance. Without this protocol, poor data collection is implicitly rewarded. Accurate baselines are essential to track impact, guide investment, and build internal buy-in. This protocol empowers signatories to acknowledge current limitations, improve data practices, and set realistic and impactful goals. The weighted FER was based on three factors:

- Percent of sites reporting
- Representativeness of total operations
- Data quality

Based on these factors, the FER was assigned either a Low, Medium, or High Confidence Level, which would then impact if or how much the FER would be weighted using a self-reported high-end FER estimate. This protocol was also retroactively applied to 2023 FERs. The result of this protocol is an industry average FER that better reflects the Business & Industry subsector.

## About the Market Share

### Calculation

Market share is calculated differently by sector. For Retail, market share is derived from Chain Store Guide sales data. As part of this process, all banners were verified to be correctly attributed to their parent retail companies with no duplicate entries. For Foodservice, market share data comes from IBIS World reports at the total sector level, applied to the Business and Industry (B&I) subsector.

### Application

Market share serves three functions in Pact reporting:

1. **Threshold determination.** For both sectors, market share establishes whether the Pact has met the necessary representation threshold for public reporting, protecting signatory anonymity.
2. **Extrapolation to national totals.** In Foodservice, market share is used to scale signatory reported surplus food totals to national estimates. (The Retail sector takes a different approach: rather than extrapolating from signatory tonnage, it applies the aggregated overall unsold food rate from signatories to national Nielsen sales data to estimate total retail unsold food tonnage and value.)
3. **Weighting reported rates (Foodservice only).** Market share weights the rates reported by signatories to produce representative national estimates for the Foodservice B&I subsector. Market share is applied to food efficiency rates, destination rates, and cause distributions.

## What's Next for Data Collection

Data collection remains a vital component of both the Pact and food waste reduction initiatives more broadly as they aim to measure progress, as well as identify and accelerate solutions. In addition to the data collected from business signatories, the Pact is committed to improving data collection methods and deepening data analysis in order to improve the process and accuracy of what is reported. For example, priority focus areas to improve back-end methodology include:

- **Exploring the measurement of solution adoption rates** to capture traction behind and progress against food waste reduction goals.
- **Refining foodservice scope** beyond corporate dining environments and exploring a methodology to account for front-of-house, or plate, waste.
- **Enhancing data collection for the manufacturing sector** to provide industry benchmarks for manufacturing signatories.

Continued refinement and expansion of these methodologies, as well as additional year-over-year reporting will allow for more detailed and informative analysis of trends and progress over time. In addition to the sectors reported here, the Pact also collects data from manufacturers and quick-service restaurants. While the market share thresholds necessary for public reporting have yet to be met, the time and knowledge that the businesses in these sectors have given provides an important foundation for future data collection.

Measurement is critical in the fight against food waste, and this information will support those efforts by highlighting where attention and resources need to be directed—by Pact signatories and by businesses across the food system. Reporting data of this magnitude is a tremendous effort and will facilitate informed, high-impact on-the-ground solutions to continue progress towards the shared commitment to reduce food waste.

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U.S. Food Waste Pact

### About the U.S. Food Waste Pact

The U.S. Food Waste Pact is a national voluntary agreement that uses the "Target, Measure, Act" framework to reduce food waste across the supply chain. The Pact works with waste-generating food businesses to collect and analyze data about food waste in their operations, share best practices through precompetitive working groups, and test and scale solutions through intervention projects. The Pact is an initiative between nonprofits ReFED and the World Wildlife Fund. For more information about the U.S. Food Waste Pact, visit **foodwastepact.refed.org**.

### Connect with us

**U.S. Food Waste Pact**

**foodwastepact.org**