**Introduction**

Leket Israel and BDO have, for the fourth consecutive year, produced the National Food Waste and Rescue Report for 2018. The estimates in the report reveal that 2.5 million tons of food, worth NIS 19.7 billion and constituting approximately 35% of domestic food production, goes to waste in Israel annually. Of this amount, approximately 1.2 million tons, worth NIS 7 billion, is rescuable, meaning that it is suitable for human consumption.

Food waste causes substantial economic, environmental, and social damage. Ultimately, the cost of food waste at all stages of the value chain – growth, production, packaging, transportation, marketing, and consumption of food – is passed on to the consumer; this affects the cost of living for Israel’s citizens. In addition, food waste has a detrimental impact on the productivity of the national economy because of production and labor inputs that are squandered. Therefore, reduction of food waste and food rescue offer an important economic contribution, while also decreasing economic inequality, lowering the cost of living and improving productivity and competition in the Israeli food industry.

This report is based on an economic model for the food industry developed by BDO. It includes comprehensive, detailed research on the extent of food waste of all types in Israel. Furthermore, the report reveals the potential for food rescue at each stage of the value chain in the food production process.

The findings presented herein indicate that food rescue is extremely beneficial from economic, social, and environmental perspectives. Every shekel (NIS 1.0) invested in food rescue produces food with a direct value of NIS 3.6. If the environmental impact of food rescue is taken into account, the economic value of each shekel invested is increased, creating NIS 7.2 in value for the national economy.

This year for the first time, the report includes a detailed model for estimating food waste in the household sector. The value of food waste from this sector exceeds NIS 7.9 billion. Each household discards food worth NIS 3,200/year on average, which is about 13% of a family’s total expenditures on food‎.‎

The problem of food waste is not limited to Israel; the extent of food waste in Israel is similar to that in other developed nations around the world. Many other countries have enacted legislation and developed national, multi-year goals and programs to encourage food rescue and to reduce waste. In October 2018, the Israeli Parliament passed the Food Donation Act – an important first step towards developing a comprehensive national food-rescue plan.

It is our hope that this report will encourage Israel’s decisionmakers to move from the stage of declared intentions to that of concrete action, developing a national policy that will lead to genuine change for Israel when it comes to food rescue.

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