



Utilizing The Power of Technology to Address Food Surplus in Indonesia

Best practices from Surplus Indonesia (PT. Ekonomi Sirkular Indonesia)

At a glance

Surplus is an online marketplace that enables customers to buy a meal from restaurants, hotels, pastries & bakeries, cafes, and supermarkets that have surplus food (haven't sold) at the day with 50% off before closing time with a number of benefits:

- Pay half the price, yet taste remains intact
- Contribute in donation
- Simplicity in rescuing overproduced meal
- Eco-friendly delivery

APPROACH

The Surplus model has two routes to enable hotels, cafes, and restaurants to manage their food surplus.

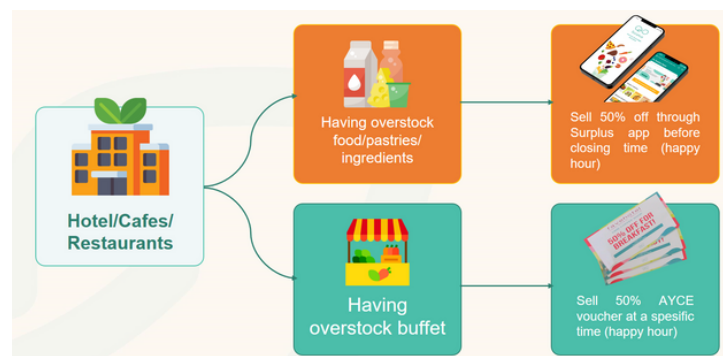
- Overstocked: if Surplus partners have overstocks of food/pastries and general ingredients which they are unlikely to use for the day's food service then these items can be sold at a discounted rate before closing time.
- Overstocked buffet: if surplus partners find that they have over-catered for their food/buffet service then they can offer food vouchers that allow users to access the food at a discounted rate at certain times of the day.

BACKGROUND

The statistics in regard to food waste in Indonesia are startling:

- 23 - 48 million tonnes of food is wasted each year (Bappenas, 2021)
- \$39 billion of economic loss from wasted food each year (Bappenas, 2021)
- The second highest food waster in the world (EIU 2016)

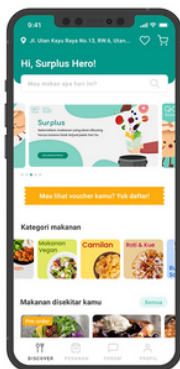
While food is wasted, 22 million of the population in Indonesia are undernourished and go to sleep hungry (Asian Development Bank, 2018) with 88-115 million people falling into extreme poverty in 2020 and rising (World Bank, 2020). These factors drive Surplus to bring the technology solution to help businesses and consumers address the issues.



Surplus routes in managing overstock from merchants

The Surplus app works as follows:

Users can choose the type of food they require by saving their favorites to the app, this will then match the food type to the food surplus providers, users then choose their preferred collection method (pick up or delivery) and then enjoy their food.



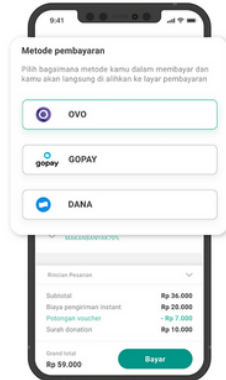
Rescue your favourite meals

Find and rescue your favourite meals from Surplus Partners



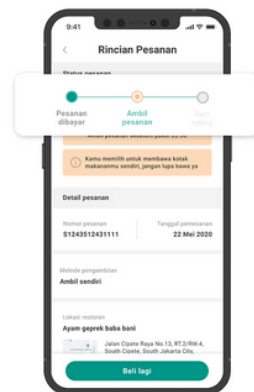
Choose your pick-up method

You are free to choose any pick-up methods, whether self-pick-up or delivered to your place



Easy Payment

Pay your order using any e-wallet of your choice directly from Surplus app

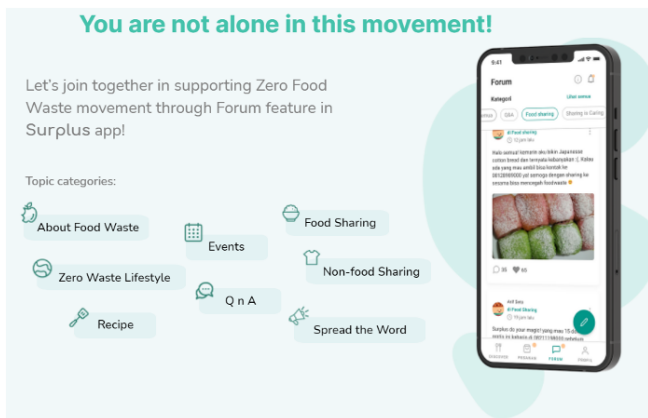


Enjoy the meals

Pick up your order according to the pick-up window time or wait for your order to be delivered

Not only does the Surplus app enable an effective mechanism for managing food surplus, but it also enables an online community to share leftover recipes, discuss the topic of food waste and create a movement for change in the "Forum" feature within the app.

As a digital platform, the Surplus app is able to generate a wealth of insight on food surplus arisings by category and the profile of recipients across Indonesia



Traction

March 2020= MVP; March 2021= App Launched



GTV growth 58% MoM

632% growth YoY



Repeat order rate 47%

in average/month



Location: Jabodetabek, Bandung, Yogyakarta, Malang, Surabaya, and Bali



70% of users are women (low middle income: students, underprivileged, and housewives communities)

RESULT

Since the launch of GRASP in September 2021, Surplus has generated the following impact:

Rescued around
>6 tonnes of food

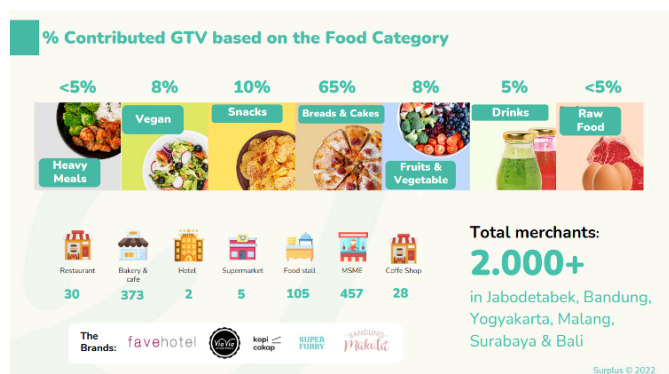
Avoided Approx.
37 tonnes of CO2 emissions

Impact to
70k direct beneficiaries

Saved businesses
in excess of \$16,500 USD

COVID-19 brought many negative impacts to businesses including less mobility that generate less economic activity. However, during the pandemic COVID-19, Surplus helped more than 2000 business beneficiaries to be more resilient by providing ways to sell their overstock & imperfect product during the lockdown situation that occurred in Indonesia. Together, Surplus has prevented around \$16,500 USD in losses for business owners joining the movement during the pandemic.

Surplus has significantly grown its network and through the app, managed a range of food categories :



In order to implement SDG no.2 to fight zero hunger, Surplus is committed to run the donation program i.e., every 1 app download is equal to a 50gr rice donation that will be donated to those in need through our Surplus community. In total, it has donated around 150 kg of rice for around 1000+ beneficiaries including the orphanages, under privileged & the marginal community in Indonesia

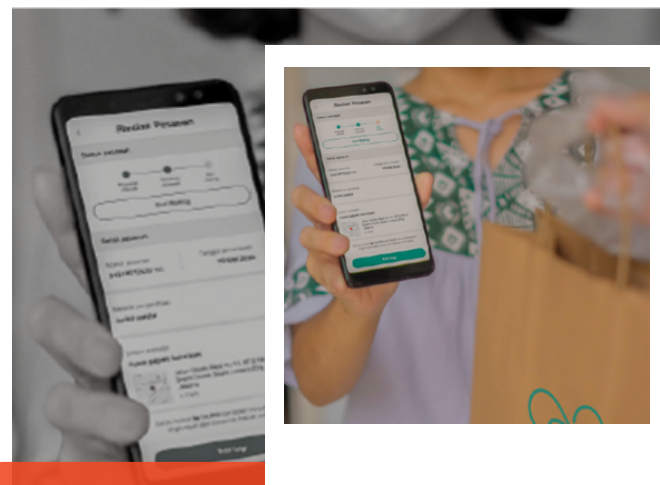
REFLECTION & NEXT STEPS

Surplus is an example of how technology can be used in Indonesia to drive change. The technology, allowing ease of use and a platform for communication effectively taps into the aspirations of "Generation Z". It also demonstrates the entrepreneurial capacity in Indonesia to tackle global issues such as food waste and hunger. The power of the app is the wealth of data it generates which can inform national strategy.

Surplus has seen significant growth since its establishment over a year ago, the initiative has strategic plans to expand its network with the support of the public and private sectors. Surplus collaborates with the local Governments to create a "Food Smart City" program toward zero food waste. Increasing support from governments to encourage businesses to sign up is proving positive with several smart city programs already launched as part of the Surplus technology.



The Indonesian government has very limited regulations and rules around dealing with food waste, even though around 60% of the rubbish in landfills consists of organic waste. As a consequence, many food businesses throw away their overstock food products as there is no incentive or penalties to change the way in which they manage their surplus food. Therefore, Surplus solutions are actually filling the gap by providing a solution to the food waste issue that is not yet regulated by the Government through technology. In order to achieve a bigger and better impact, it is necessary to attract more of the larger brands to join the Surplus movement.



"Alone we can do so little, but together, we can do so much. So let's end food waste together by supporting Surplus movement."

Muh. Agung Saputra - CEO & Founder of Surplus

About GRASP2030, IBCSD, and WRAP

GRASP2030 (Gotong Royong Atasi Susut & Limbah Pangan di 2030) is a voluntary agreement that will manifest private sector's commitment to reduce FLW and make food production and consumption to be more sustainable in Indonesia. IBCSD has been involved in the Indonesia Food Loss and Waste Action Partnership since 2018. Currently, IBCSD is calling on businesses and other supportive actors along the food value chain to take action in reducing food loss and waste (FLW) through GRASP 2030. WRAP is a climate action organization that aims to cut waste out of our global food system and make it more sustainable, and is a delivery partner in GRASP2030.

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To find out more, visit <https://grasp2030.ibcsd.or.id>