



THE GLOBAL FOOD DONATION POLICY ATLAS

Executive Summary: Indonesia

More than enough food is produced to feed every person, yet one-third of all food is wasted. Redirecting safe, surplus food is an effective and compassionate solution, but it can be complicated because food is a heavily regulated product.

To help address the most pressing and universal legal and policy questions surrounding food recovery and donation, the **Harvard Law School Food Law and Policy Clinic (FLPC)** and **The Global FoodBanking Network (GFN)** have partnered to create The Global Food Donation Policy Atlas. This innovative partnership maps the laws and policies in countries across the globe. The project aims to identify and explain national laws relating to food donation, analyze the most common legal barriers to promoting greater food donation, and share best practices and recommendations for overcoming these barriers.

INDONESIA FOOD LOSS AND WASTE

Each year, approximately 48 million tons of food in Indonesia is either lost or wasted along the supply chain, causing an estimated 213 to 551 trillion Indonesian rupiah (Rp), or US\$15 to US\$39 billion, in economic loss (equivalent to 4% to 5% of Indonesia’s gross domestic product). Much of this food is still safe for human consumption and could be redirected to those experiencing hunger and chronic malnutrition throughout the country. The benefits of greater food recovery and donation are particularly apparent in Indonesia, as 20 million people, or 8% of the population, are unable to meet their nutritional needs, and stunting affects one-third of children under age 5.

Indonesia: By the Numbers

- Population: 273,523,621
- GDP: \$15.7 quadrillion rupiah
- Poverty Rate: 9.8%
- Prevalence of Food Insecurity: 4% to 13%
- Global Food Security Index: 59.2
- FLW Estimates: 8 million tons

The Indonesian government has prioritized hunger reduction and food security as part of its national policy agenda. In 2021 it published a report on food loss and waste, though it has yet to adopt a plan or national law to prevent food loss and waste or promote food donation. Private actors in the food system, including food banks and other food recovery organizations and private businesses, are nevertheless leveraging food donation to mitigate food loss, food waste, and food insecurity in Indonesia.

INDONESIA FOOD DONATION POLICY OPPORTUNITIES

FOOD SAFETY FOR DONATIONS: Food safety laws in Indonesia are mostly contained within chapter VII of the Law No. 18 of 2012 on Food as amended by Law No. 11 of 2020 regarding Job Creation (“Food Law”) and Government Regulation No. 86/2019. While this law and its related regulations do not explicitly include or mention food donation, existing food safety rules are broad in scope and presumably apply to food donations.

ACTION OPPORTUNITY: Indonesia should **amend the Food Law and Government Regulation No. 86/2019 to feature a donation-specific chapter** or draft regulations related to the Food Law that elaborate on food safety for donations. The Indonesian government could also **produce and disseminate clarifying guidance** on food safety requirements relevant to donation.

DATE LABELING: Indonesia’s date labeling scheme is set out in the Food Law and its related regulations. The law and regulations mandate that all foods (with minor exceptions) have a quality-based date label denoted by “best before.” The law also prohibits the distribution of food past the date label, subjecting violators to administrative penalties (e.g., fines).

ACTION OPPORTUNITY: Indonesia should amend the Food Law to **establish a dual date labeling system** that clearly distinguishes between safety-based and quality-based labels and uses the recommended language of “best before” and “use by” to distinguish the two. The government should subsequently amend the Food Law and its implementing regulations to **permit the sale and/or donation of food past its quality-based date**. Finally, the Indonesian government should **promote consumer and business education and awareness on the meaning of date labels** once the labels are standardized.

LIABILITY PROTECTION FOR FOOD DONATIONS: Indonesia does not provide explicit legal protections for food donors and food recovery organizations. The lack of a “Good Samaritan” law offering a legal shield from liability could contribute to public relations fears and ultimately discourage food donation.

ACTION OPPORTUNITY: To ensure that liability concerns related to donating food do not deter potential donors, Indonesia should **enact national legislation that establishes clear and comprehensive liability protection for food donors and food recovery organizations** similar to the protections offered in Argentina and the United States.

TAX INCENTIVES AND BARRIERS: Indonesia’s Income Tax laws do not include a tax incentive specific to food donation, though they do offer a deduction for charitable contributions related to specific causes (e.g., natural disasters, education, etc.). Additionally, Indonesia’s value-added tax (VAT) applies to food and requires the payment of an 11% tax at each stage of the supply chain including donation, which could create a financial burden on food donors and food recovery organizations.

ACTION OPPORTUNITY: To ensure businesses receive proper tax incentives to donate food, Indonesia should **update its income tax deductions to cover in-kind food donations**. Additionally, Indonesia should **amend its VAT scheme to exempt donated foods**.

Indonesia has prioritized food security in its legislative framework. However, there is a need to execute legal and policy solutions through legislation and regulatory reform to advance these agendas and position food donation as a necessary tool to success. Clarifying food safety requirements, adopting comprehensive liability protections, providing tax incentives for in-kind donations for food donors and food recovery organizations, and removing tax barriers to donation may help achieve this goal.

Food Safety for Donations	Date Labeling	Liability Protection for Food Donation	Tax Incentives	Tax Barriers	Donation Requirements or Food Waste Penalties	Government Grants and Incentives	National FLW/ Donation Law or Policy
No	Limited	No	No	Yes	No	Weak Policy	No

For more detail on how Indonesia measures up against the other countries evaluated in The Global Food Donation Policy Atlas project, check out www.atlas.foodbanking.org. For more information about the food donation legal framework in Indonesia and policy recommendations for strengthening this framework, check out the Indonesia Food Donation Legal Guide and the Indonesia Food Donation Policy Recommendations.

BACKGROUND INFORMATION: MAJOR LEGAL ISSUES IMPACTING FOOD DONATION

Food Safety for Donations: A key barrier to food donation can be the lack of knowledge or readily available guidance regarding safety procedures for donated food. All donated food should be safe for consumption and comply with applicable food safety laws and regulations. Potential donors, however, are often uncertain as to which food safety regulations apply to donated food and the steps necessary to comply.

Date Labeling: Date labels affixed to food products are a major driver of food waste and an obstacle to food donation. Most food donors and food recovery organizations are appropriately cautious about donating food that may no longer be safe, but it is not always clear whether the date label accompanied by language such as “sell by,” “expires on,” or “best by” relates to food safety. In fact, date labels are generally intended to reflect freshness or quality rather than safety for the vast majority of foods.

Liability Protection for Food Donations: A significant barrier to food donation is the fear among donors that they will be found liable if someone becomes sick after consuming donated food. Some countries have adopted liability protections to mitigate this concern. However, many food donors and food recovery organizations are uncertain as to whether they are eligible for this protection, whether there are actions required to maintain the protection, and what limits, if any, apply.

Tax Incentives and Barriers: Transportation and storage costs are often cited as the main expenses that manufacturers, retailers, and restaurants need to overcome to donate food. Tax incentives, including deductions and credits, can help to offset these financial inputs and help make donation a more attractive, affordable option. The application of certain taxes to donated foods, such as the value-added tax, however, can also create a barrier to donation.

Donation Requirements or Food Waste Penalties: Some countries have employed food donation requirements or impose monetary penalties for food that is sent to landfills (often known as organic waste bans or waste taxes) in order to influence business behavior and promote more sustainable food systems.

Government Grants and Incentives: Grants and incentive programs funded at the national or local level offer another important resource for food donation initiatives. This is particularly true in countries where donors consider tax incentives to be insufficient to offset the costs of donation or where a lack of infrastructure limits food recovery efforts.

National law or policy on food waste: Adopting a national food loss and waste or food donation framework can help governments ensure policy coherence and advance food recovery efforts along the supply chain. Offering a unified and comprehensive framework may better enable governments to clarify food safety rules, standardize date labels, define liability protections for food donors and food recovery organizations, and set forth additional tax benefits to which donors may be entitled under relevant law. A national law or policy can also serve as a foundation for government grant programs and awareness campaigns focused on food system sustainability and food security.

THE GLOBAL FOOD DONATION POLICY ATLAS PROJECT SUPPORT

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