Food Banks Canada: Building a Market Pathway for Surplus Produce

Company Overview

Food Banks Canada is the national organization representing a network of more than 5,500 food banks and community agencies across the country. While often understood through the lens of donation, the network has evolved into something more foundational: a coordinated platform that sources, moves, and distributes food at scale across Canada.

Today, the system operates through a blended model that includes donations, surplus recovery, strategic purchasing, processing partnerships, and logistics coordination. In 2025 alone, more than 300 million pounds of food were distributed through this network, reaching communities in every province and territory.

What makes this model distinct is not just its reach, but its role within the broader food system. Food Banks Canada increasingly functions as a complementary market channel—one that connects surplus supply with unmet demand in a way that reduces waste, stabilizes movement, and creates shared value across the supply chain.

The Challenge

Like many parts of the produce sector, food loss is often driven by specification mismatch rather than product quality. Size, appearance, timing, and shifting demand all play a role in determining whether product moves through primary channels.

When those conditions are not met, options narrow quickly. Product may be redirected to lower-value uses, left unharvested, or lost entirely due to perishability.

At the same time, demand for food support continues to increase. Food banks across Canada are now serving more than 2.2 million visits per month, with many organizations relying on purchased food to maintain consistent supply.

These dynamics point to a shared constraint: product that remains edible does not always have a viable pathway once it falls outside commercial specifications.

The Solution: Operationalizing Surplus Pathways

The approach developed through Food Banks Canada focuses on making surplus recovery operational. Historically, these two realities have operated in parallel.

Where Loss Occurs
Farms & packer/shippers

Main Drivers
Specification mismatch; Cosmetic standards; Limited secondary markets for off-grade produce; Perishability

Solutions
Repacking into usable formats; Light processing to enable distribution; Coordinated redistribution at scale; Planned pathways for surplus movement

Key Partners
Grower/packer/shippers; Government; Members, Regional food bank networks; Processing and logistics partners

Produce Types
Root vegetables, field vegetables, greenhouse crops, mixed produce

Measurement
Volume tracked through operational estimates and partner reporting

Social / Environmental Impact
More food kept in the human food system; Less waste to landfill; Improved system efficiency

UN SDGs
2 – Zero Hunger
12 – Responsible Consumption
13 – Climate Action

Increasingly, they are being connected through a more coordinated approach to recovery, redistribution, and market integration. Rather than relying on ad hoc donation, the system is being designed to handle product in ways that align with how the supply chain already functions. This includes repacking into usable formats, supporting light processing where required, and coordinating distribution so product moves before perishability limits options.

The emphasis is not on creating new supply, but on extending the usefulness of what is already being grown, harvested, and handled. In practice, this has meant building repeatable pathways that allow surplus product to move consistently—turning what was previously treated as excess into usable inventory.

Putting the Approach into Practice

Food Banks Canada, together with its members across Canada, is helping establish a more intentional pathway for surplus product—one that sits between traditional commercial markets and lower-value outcomes within the food loss and waste hierarchy. Rather than relying solely on ad hoc recovery, the model focuses on planning, coordination, and scale.

Fresh produce is made available on shelves at a food bank, increasing access to nutritious food

This includes aligning supply with national and regional demand, supporting harvesting and packing where needed, and enabling processing to extend shelf life and usability. It also reflects a shift toward strategic purchasing, recognizing that consistent supply often requires more than donation alone.

In provinces like Manitoba, this approach is being taken even further.

Model Insight: Building the Missing Middle

A consistent theme across this work is the role of infrastructure between production and end use.

For many producers, the challenge is not whether surplus exists—it is whether there is a viable way to move it once it falls outside commercial specifications. Without that pathway, product is often redirected to lower-value outcomes or left unharvested.

What is emerging through Food Banks Canada and its network is a more structured “middle space” within the supply chain. This includes aggregation, repacking, light processing, and coordinated distribution—functions that make surplus usable at scale.

In some regions, this is taking the form of expanded facilities designed to reclaim, process, and redistribute edible food that would otherwise be lost. These facilities are designed to handle volume, improve consistency, and reduce the operational burden on producers.

The result is a system that behaves less like a collection of recovery efforts and more like a complementary market channel. Product moves with greater predictability, and decisions about surplus can be made earlier—before value is lost.

As these systems continue to develop, the line between recovery and standard practice becomes less distinct. What was once handled reactively is increasingly being built into how the

Harvest Manitoba, a member of the Food Banks Canada network, is advancing the development of a large-scale Food Transformation Centre designed to reclaim, process, and redistribute edible food that would otherwise be wasted.

The facility is expected to significantly increase the volume of food that can be captured and distributed, helping address both food loss and food insecurity at scale while strengthening regional supply chains.

Similar infrastructure and system-building efforts are emerging in other regions, reinforcing the shift from isolated recovery efforts to a coordinated national network.

From Workarounds to Working Systems

Across multiple commodities, similar patterns are emerging.

In one example, root vegetables that were previously cleared at the end of the storage season are now being incorporated into planned distribution, creating a more consistent, year-round supply.

What began as a one-time movement has become a repeatable channel.

In another case, surplus field vegetables that had been directed to lower-value outlets are now being repacked and, where needed, lightly processed to make them suitable for distribution. Once format and handling requirements were addressed, the product became usable at scale.

At the field level, product that would typically remain unharvested due to size or marketability constraints is now being brought into the system through targeted harvesting and packing support.

This has expanded the volume of food entering the supply chain without requiring changes to what is grown.

Similar approaches are being applied to storage crops, where product falling outside preferred size ranges is aggregated, repacked, and moved in formats that align with downstream handling and distribution realities.

Green beans that were gleaned or otherwise left in fields to decompose were recovered and brought back into the food system.

Across these examples, the shift is consistent. Product that once had limited options is now moving through coordinated pathways that allow it to remain in the human food system.

“What started as a workaround is becoming part of how the system operates.”

System Impact

The impact of this work is best understood at the operational level—how product that would not typically move through commercial channels is instead retained within the food system.

Across participating operations, surplus and off-grade produce that previously had limited outlets is now being redirected through coordinated pathways.

This includes product that would have been left unharvested, downgraded to lower-value uses, or lost due to timing and handling constraints. What has changed is not the volume of food being grown, but the proportion of that food that is ultimately used.

In practical terms, this has resulted in:

- Increased recovery of edible product at the farm and packing level
- More consistent movement of surplus through planned, rather than reactive, channels
- Expanded use of repacking and light processing to make product usable downstream
- Reduced reliance on lower-value outcomes for edible produce

By the Numbers:

Nearly **180,000 kg** of root vegetables moved from end-of-season clearance into consistent, year-round distribution

Approximately **340,000 kg** of surplus field vegetables redirected through value-added processing pathways

More than **180,000 kg** of product recovered at harvest that would otherwise have remained unharvested

Over **900,000 kg** of storage crops aggregated and repacked into usable formats within a six-month period

More than **590,000 kg of processed vegetables** distributed nationally through coordinated sourcing and handling

Taken together, these examples represent the equivalent of **approximately 4 to 5 million meals**, based on standard Food Banks Canada conversion estimates.

Just as importantly, these pathways create more predictability.

Product can be redirected earlier, while quality is still intact, and decisions about surplus can be made with clearer options available.

For producers, this reduces pressure at the point where product falls outside specification. For the system, it improves how efficiently food moves before perishability becomes a limiting factor.

The result is not a single intervention, but a shift in how surplus is managed, moving from isolated recovery efforts to more consistent, operational practice.

Potatoes are cleaned, sorted, and sized through the same process as retail product. Those that do not meet retail specifications are identified and bagged for consumption.

The Takeaway for Industry

Within the produce sector, products frequently exit the commercial supply chain for reasons that are unrelated to food quality. Variations in size, cosmetic appearance, or shifts in market timing can all result in otherwise edible product falling outside commercial specifications.

These circumstances do not need to result in loss.

This model demonstrates that when appropriate pathways are in place, surplus product can continue to move through the system in ways that generate value—for producers, for supply-chain partners, and for the communities ultimately served.

Several key realities emerge:

- Specification-driven loss is often avoidable when viable alternative channels exist.
- Product format and handling requirements are as critical as volume when recovery efforts are scaled.
- Coordinated systems enable surplus to move in a planned and predictable manner, rather than through reactive measures.
- Modest operational adjustments can yield substantial improvements in food utilization.

As these approaches continue to mature, the opportunity is not to construct entirely new systems, but to extend and strengthen existing ones—allowing more food to move, more consistently, to where it is needed.

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