

10 April 2025

Submission to: **Australian Government Productivity Commission. Opportunity to Comment on "Australia's circular economy – Unlocking the opportunities" interim report**

On behalf of: End Food Waste Australia

Thank you for this opportunity to provide feedback on the interim report "Australia's circular economy – Unlocking the opportunities". Establishing a new paradigm of total circularity will be key to creating a more sustainable and prosperous future for Australia and achieving our sustainable development targets. We strongly recommend this work is co-ordinated with the development of a revised, National Food Plan, and aligned to the National Food Waste Strategy (NFWS).

End Food Waste Australia (EFWA) is Australia's leading partnership organisation working across the supply chain to end food waste. We are improving the productivity, resilience and sustainability of the Australian food system; guided by our EFWA is comprised of four pillars- Research and Development (the End Food Waste CRC), Industry Action (Australian Food Pact and Sector Action Plans), Behaviour Change (The Great Unwaste), and Policy. Overseas experience tells us that all four pillars are essential for a country to halve food waste by 2030, which is the goal of the Australian National Food Waste Strategy. By providing ongoing research and development, core strategies and infrastructures we deliver evidence-based solutions to food-chain enterprises, working toward a more sustainable future from paddock to plate.

We would like to focus our comments primarily around your Key Points and Requests (p81) focussed on Food and Agriculture, specifically concentrating on issues related to food and food waste.

• As you noted (p81) producing, manufacturing, distributing and consuming food involves large amounts of materials and generates huge amounts of waste. 7.6MT or approximately one-third of all food produced in Australia is lost or wasted each year¹. This impacts every Australian citizen with many touch points. As such, there is a significant opportunity for increasing national coordination and cost sharing of our our food waste reduction efforts; a commitment that was made in 2017 at a Meeting of Environment Ministers ahead of the launch of the NFWS, but is yet to be implemented. We support the recommendation from the "Food for Thought" report that food waste needs an independent national body that applies technical rigour and spans all parts of the supply chain to co-ordinate and maximise impact in this critical area of a truly circular economy.

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¹ Food Waste in Australia - End Food Waste Australia » End Food Waste Australia

Recommendation 1: Ensure embedding circularity into Australia's food and agriculture production systems reflects national and international targets.

- We agree that circular economy opportunities exist at all stages of the food life cycle and specifically want to reinforce the importance of applying a food waste minimisation lens to every activity across the supply chain. Our Sector Action Plans highlight targeted interventions to reduce food waste and keep food in the system such as improving connectivity and quality assurance across the cold chain and better matching production to market demand. It is for this reason that the 'whole of supply chain' approach taken by End Food Waste Australia is so important; an approach endorsed by the Australian Parliament through Recommendation 18 in the recent Food for Thought report from the House of Representatives Standing Committee on Industry, Science and Resources which states The Committee recommends that the Australian Government continue to fund End Food Waste Australia. Further collaboration opportunities should be sought to accelerate progress to meet the National Food Waste Strategy target to halve food waste by 2030.
- As we strive to achieve more circular outcomes, it is important that progress be measured in the right way to deliver the right behaviours. From a food waste perspective, Sustainable Development Goal [SDG] 12.3 and its Australian adoption to reducing our food waste by half by 2030 are the fundamental guides. Focusing on what qualifies as food waste reduction under national policy will be important for Australia in developing future initiatives. Only those prevention and reallocation activities to food donation or to animal feed that keep food as food count towards our overall national target [Target]. Other activities such as composting or anerobic digestion, while valuable in keeping food waste out of landfills, do not contribute to the achievement of the Target. If we are to meet our agreed national target of halving Australia's food waste by 2030 and drive to a more circular economy, we need to ensure that food loss and waste avoidance is top of mind when striving for new solutions to avoid unintended consequences which may create additional waste outcomes. EFWA delivers food loss and waste avoidance as core business of its activities for industry, government and society.

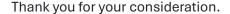
Recommendation 2: Co-ordinate national efforts to drive positive outcomes.

• As noted in the PC's report, several initiatives are already underway to reduce food waste throughout the food life cycle. While this is accurate, in fact, much of this has been supported by the work of End Food Waste Australia, in particular the Research and Development pillar (End Food Waste Cooperative Research Centre), where numerous projects have been delivered to Transform and repurpose edible food waste to its best and highest use. We have also demonstrated expertise in collaborative action within the commercial sector to help businesses identify and deliver food waste reduction and diversion, particularly through the Australian Food Pact. We strongly advocate for this type of work to be encouraged and supported, but the efforts cannot succeed in isolation. The challenge for individual actors in this space is that the outcome of their best endeavours may create unintended issues in adjacent parts of the supply chain. This has been one critical benefit of our involvement to help drive circular food waste reduction outcomes with a whole of supply chain perspective. In addition we provide an independent entity to measure and monitor our collective progress towards the Target on behalf of the Government and the nation; a service that is desired by both industry and governments at all levels but is currently unfunded.

Recommendation 3: Enable tax incentives and other policy levers to increase food rescue and reduce waste.

• In regards to your request for further information about overcoming barriers to food donation and relief, we would draw your attention to the Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024 recently presented to the Senate. This Bill proposed amendments to Australia's tax laws to incentivise small and medium-sized food producers, such as farmers and growers, to donate surplus fresh food to registered food charities, and importantly included transport and storage costs. Independent modelling conducted by KPMG² which the EFW CRC co-funded shows that this incentive would have the capacity to deliver an additional 100 million meals a year and could assist in halving overall food waste by 2030. Tax incentives to increase food donation has now been recommended by multiple government enquiries, however the Private Senators bill was defeated in the Senate in late 2024. This is one of several policy initiatives that we are investigating; for example, Date code labelling, Whole crop purchase and Trade Practices review, which we are actively engaging to advance through the Policy pillar in End Food Waste Australia.

In summary, we applaud this interim report from the Productivity Commission as a bold first step. End Food Waste Australia has and will be an integral component of the adoption of circularilty in the Australian agrifood sector, with the continual growth of such practices essential if Australia is to halve food waste by 2030, as per the NFWS commitment. Over the last 7 years Australia has become a leading country globally in the fight against food waste through the adoption of circular principles, as recognised by the OECD in 2025, princiapally through the efforts of EFWA. Yet without future funding - a recommendation of the Australian Partiament Food For Thought Report - the organisation cannot continue its work. As outlined in the EFWA Strategic Business Plan³ the organisation stands ready to accelerate Australia's progress towards a more circular economy, if funded to do so.



Dr Steven Lapidge, Founder and CEO, End Food Waste Australia

² A CASE FOR TAX REFORM TO INCREASE FOOD DONATION BY BUSINESS - End Food Waste Australia » End Food Waste Australia

³ endfoodwaste.com.au/wp-content/uploads/2024/07/EFWA-Strategic-Business-2024-2030.pdf