



Committee Secretary
House Standing Committee on Industry, Science and Resources
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Parliament House
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3 May 2024

Dear Committee Secretary

Re: Food and Beverage Manufacturing in Australia inquiry

Thank you for the opportunity to provide feedback on the inquiry into Food and Beverage Manufacturing in Australia. The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body representing Australia's \$17 billion waste and resource recovery (WARR) industry. With more than 2,200 members from over 400 entities nationwide, we represent the breadth and depth of the sector, including representation from business organisations, the three (3) tiers of government, universities, and Non-Government Organisations (NGOs), including research bodies.

Improving food and organic waste management involves phasing out the linear food system – and it's a key part of our transition to a circular economy, where 'waste' is designed out. [Data from Fight Food Waste CRC](#) similarly indicates that by value, financial losses from food waste are a significant issue across all points of the entire supply chain. 31 million tonnes of food waste were generated in 2020-2021 23 million of those tonnes were wasted through processing and recovered at lower value through livestock food and bagasse while 7.6m tonnes of food went to landfill.

Landfilled food alone cost the Australian economy \$36 billion. Food waste sent to landfill releases methane - a greenhouse gas 28 times more potent than carbon dioxide. Some of these emissions can be avoided by recycling food waste but we know that cutting down on wasted food, particularly the waste of edible food, reduces the 'upstream' emissions, and costs, associated with growing, harvesting, processing, transporting, and buying food to begin with.

Taking a circular economy focus to food and beverage manufacturing in Australia involves ensuring the value of material is understood, its kept in circulation for as long as possible and once at end-of-life there is appropriate waste and resource recovery (WARR) infrastructure in place to manage it. [The European Union's Farm to Fork strategy](#) (part of the European Green Deal) is a pioneering example of a holistic, entire supply chain approach that recognises human and environmental health. Such systems-level approaches to reducing organic waste will not only reduce economic losses and reduce emissions, but also unlock green growth and economic opportunities. Scotland's [Circular economy and waste route map to 2030](#) also provides strategic direction and actions Australia can consider and adopt. Prominent approaches are discussed throughout this letter. The transition to sustainable food systems requires a collective approach involving all levels of government, businesses across the food

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value chain, NGOs, academics, and the community to ensure incentives to support government initiatives.

Taking a cradle-to-cradle approach to manufacturing, the committee can consider the entire supply network, water use, fertilizers, carbon impacts, transport logistics (food production and sale proximity) and alternative fuel and power options. For example, utilising organics matter to create power, through for example Anaerobic Digestion (AD) which we are increasingly seeing as a form of industry symbiosis as a power source for the agriculture sector (for example at abattoirs and supermarkets), enables moving up the waste management hierarchy from recovery of energy at end-of-life.

WMRR also encourages manufacturers to increase their utilisation of recycled products, remanufacturing, increase recycling and re-design (including designing to reduce and eliminate waste) through their supply chain. These measures can contribute to reduced raw material extractions and lower energy and water consumption.

Managing materials in circulation is vitally important, however as per the waste management hierarchy we also need to move towards higher order thinking by addressing consumption and avoidance. Community and government messaging to-date struggles to raise the need to consider our consumption habits and take responsibility for the waste material we create. By evaluating the life cycle of products manufacturers can move from a linear, to closed loop and eventual circular approach for sustainable consumption.

Around a third of all plastic packaging put on the global market leaks from collection systems, polluting the environment. Extended producer responsibility (EPR) schemes, including obligations for businesses to take back items, and meet requirements related to re-use, recovery or recycling of products or materials, have long been proposed as a solution to these leaks. Mandated EPR could spur on long-term complementary manufacturing and design initiatives, for example, the European Ecodesign program, which establishes a framework that sets mandatory ecological requirements for all products sold in the EU. The aim of this initiative is to ensure that manufacturers will, at the design stage, be obliged to reduce energy consumption and other negative environmental impacts of products (noting 80% of products' environmental impacts are determined at the design phase), while enforcing considerations such as recyclability, polluting emissions, waste, and water use. It is thrilling to think about how much positive impact we could make on the environment and human health through sustainable design practices, and just as exciting to consider the new sectors (e.g., remanufacturing, and industrial design), jobs, and local economic growth that will come along with these changes. And it all starts with mandating EPR.

The various forms of container deposit schemes across Australia demonstrate both the reduction in material loss and need for accountability across the entire life cycle of products. New PET recovery facilities in NSW and Victoria have led to beverage containers being recycled back into beverage containers and returning to the Australian productive economy. Australia is a net importer of packaging materials from the global economy, and we still do not have sufficient onshore infrastructure or demand to process these materials. This is in part due to lower value and composite materials without obligations to re-use the secondary raw material, virgin will always be preference. Packaging and packaging design remains an area of significant concern for the WARR industry in

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AUstralia. We welcome the Government's commitment to review the existing regulatory scheme given the failure of the Packaging Covenant to address these challenges, an example of this being the ongoing presence of PFAS in compostable packaging today despite the commitment to design out by December 2023.

WMRR believe that there is significant work that can be done to improve packaging and harmonies regulation for packaging in Australia, as well as increase investment in onshore production. Key to this is a mandated regulatory packaging scheme with independent oversight. We also think that this must work closely with End Food Waste given the close nexus between food waste and packaging, this is how WRAP UK operates, that looks closely at these streams to develop safe, sustainable and resource efficient strategies as they move towards NetZero. For example, [Wrap UK](#) has been advocating for food produce being sold loose and consumers provided best practice guidance on storage. We genuinely believe that the WRAP model would be a strong one for Australia to combat both food and packaging waste and drive circular thinking and action in Australia.

Please contact the undersigned if you wish to further discuss WMRR's submission.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Gayle Sloan'.

Gayle Sloan

Chief Executive Officer

Waste Management and Resource Recovery Association of Australia

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