



Submission

Victorian Government Issues Paper – *A Circular Economy for Victoria*

12 August 2019

About

The Australian Fresh Produce Alliance (AFPA) is made up of Australia's key fresh produce growers and suppliers. The members include:

- Costa Group,
- Perfection Fresh,
- Montague,
- One Harvest,
- Pinata Farms,
- Fresh Select,
- Mitolo Group,
- Mackay's Banana Marketing,
- Driscoll's,
- 2PH Farms,
- LaManna Premier,
- Rugby Farming,
- Freshmax, and
- Fresh Produce Group.

These businesses represent:

- half the industry turnover of the Australian fresh produce (fruit and vegetables) sector - \$4.5 billion of the \$9.1 billion total,
- a quarter of the volume of fresh produce grown in Australia - 1 million of the 3.9 million tonne total,
- more than a third of fresh produce exports - \$410 million of the \$1.2 billion export total,
- more than 1,000 growers through commercial arrangements, and
- more than 15,000 direct employees through peak harvest, and
- up to 25,000 employees in the grower network.

The key issues the AFPA is focusing on include:

- packaging and the role it plays in product shelf life and reducing food waste landfill,
- labour and the need for both a permanent and temporary supply of workers,
- market access to key export markets for Australian produce,
- product integrity both within and outside of the supply chain,
- pollination and research into alternative sources, and
- water security, including clear direction as to the allocation and trading of water rights.

The AFPA's aim therefore is to become the first-choice fresh produce group that retailers and government go to for discussion and outcomes on issues involving the growing and supply of fresh produce.

Products grown by AFPA Member companies include:

Apples	Broccoli	Fioretto	Oranges	Strawberries
Apricots	Broccolini	Green Beans	Peaches	Sweet Corn
Asparagus	Brussel	Herbs	Pears	Table grapes
Avocado	Sprouts	Lemons	Pineapples	Tomatoes
Baby Broccoli	Butternut	Lettuce	Plums	Water Cress
Baby Corn	Pumpkin	Mandarins	Potatoes	Wombok
Bananas	Cabbage	Mango	Cucumber	
Beetroot	Cauliflower	Mushrooms	Raspberries	
Blackberries	Celery	Nectarines	Salad leaf	
Blueberries	Cherries	Onions	Spinach	



Summary

The Australian Fresh Produce Alliance (AFPA) welcomes the Victorian Government's commitment to implementing a circular economy. The AFPA supports a circular economy policy framework that is commercially driven and works with consumer demand and business to increase the environmental sustainability of the Victorian economy.

The Victorian Government can take three actions to move toward a more circular economy:

1. Implement a policy framework

A policy framework is required to identify the key elements of circular economy, priority areas for action, and how consumers, business and government will work together to achieve the objectives.

2. Investment to support industry creation

The Victorian Government needs to identify priority areas for action and investment. This will generate a focus and critical mass for change that can be backed by consumers (through purchasing and recycling/reuse behaviour) and business (through investment).

3. Supportive Regulation

Early consultations have revealed regulatory challenges to review and address in order to implement a circular economy. Significant Victorian Government attention should be devoted to creating a holistic regulatory environment which allows a circular economy to develop.

Response to questions in the Issues Paper:

A Circular Economy for Victoria – Creating more value and less waste

Q1. Is this a useful definition of circular economy? How would you change it?

The definition of circular economy outlined in the issues paper is a welcome outline of the proposed policy intent. The focus appears to be on products with extended product life rather than products, such as food, which are consumed. Acknowledgement of products such as food in a circular economy definition is essential to reflect the consumption patterns of Victorians.

Q2. Do you think Victoria should pursue a more circular economy? Why or why not?

The Australian Fresh Produce Alliance supports the Victorian Government's commitment to developing more of a circular economy in Victoria. The development of a circular economy in different industries will reduce environmental impacts and, with sufficient consultation with industry, provide the opportunity to increase productivity and efficiency with benefits to all Victorians.

Q3. Are there other benefits of a circular economy that should be considered in developing the policy?

The development of a circular economy has the potential to lead to the development of new industries in Victoria, and the creation of jobs as materials are recycled, reused or composted. Mapping the potential development of new industries and supply chains is vital to ensure the success of the circular economy.

Q4. Which parts of the economy, which materials, or which activities should be a priority focus for Victoria's circular economy policy? Why?

An immediate priority for Victorian families, councils, and business is addressing the need to physically recycle packaging, particularly PET plastic. Investment in sufficient infrastructure to collect and process packaging for recycling into new packaging and products must be a priority.



Food waste is another area of focus for consumers, industry and government. Further research is required to understand the drivers of food waste throughout the supply chain much of which packaging is designed to minimise, while also focusing on food waste in the home.

Q5. What issues will the government need to consider or manage in the shift to a circular economy?

The largest drivers of change in the economy are consumer demand and the flow on impacts on business. Working to develop incentives and frameworks which create a circular economy are vital to the success of any new policy intent. Government needs to work cooperatively and closely with business to understand the current gaps in developing a circular economy and how government can support the development of those industries.

Q6. Would the shift to a circular economy adversely affect your industry? How could government mitigate these effects?

A shift to a circular economy will be overwhelmingly positive if the development of the policy framework involves engagement with industry and an understanding of supply chains. As an example, packaging plays a critical role in reducing fresh produce waste and disposal to landfill. Further, the environmental impact of food waste is significantly greater than the environmental impact of fresh produce packaging. One of the key gaps in a circular economy for the fresh produce industry is the commercial recycling of packaging, in particular plastic PET packaging.

Q7. How do you think the Victorian Government should measure and report on progress toward a more circular economy?

Given the fact that many supply chains are global and Victoria is a key exporting platform for Australian businesses, the Victorian Government should measure and report on progress toward a more circular economy by different industries. Implementation of a circular economy is likely to look very different for different industries.

Q8. What are the most effective actions the government can take to shift Victoria to a circular economy?

In summary the Victorian Government can take three actions to move toward a more circular economy:

1. Implement a policy framework

A policy framework is required to identify the key elements of a circular economy, priority areas for action, and how consumers, business and government will work together to achieve the objectives.

2. Investment to support industry creation

The Victorian Government needs to identify priority areas for action and investment. This will generate a focus and critical mass for change that can be backed by consumers (through purchasing and recycling/reuse behaviour) and business (through investment).

3. Supportive Regulation

Early consultations have revealed regulatory challenges to review and address in order to implement a circular economy. Significant Victorian Government attention should be devoted to creating a holistic regulatory environment which allows a circular economy to develop.

