

# Strategic Analysis Paper

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## Weak Governance and Lack of Investment Hindering Australia's Fight Against Food Waste

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### Key Points

- One-third of all of the food produced globally is lost or wasted, causing significant economic, environmental and social issues.
- Australia has made a commitment to halving its food waste by 2030.
- Despite that commitment, the Australian Government has provided little funding or leadership towards reducing food waste.
- While the Australian food context differs from many of the countries that have performed well at reducing food waste, strong leadership and high levels of funding have been a major factor in food waste reduction.

### Summary

One-third of all the food that the world produces is lost or wasted, despite growing environmental and population pressures on farming systems to produce more food and the prevalence of global hunger. Food loss and waste is also responsible for eight per cent of global greenhouse gas emissions and significant economic losses. These factors would indicate that the fight against food loss and waste is now as important as it has ever been.

The Australian Government has taken preliminary steps towards measuring the country's food waste and implementing a strategy to support halving this waste by 2030. The *National Food Waste Strategy* and the *National Food Waste Baseline* acknowledge that food waste is a significant problem in Australia. Australians wasted 7.3 million tonnes of food in 2016/17, which translates to 298 kilograms of food wasted per capita in that year. Despite large

amounts of food waste and opportunities to tackle waste at all points in the food chain, the Australian Government seems reluctant to provide strong leadership or appropriate funding. It is also unclear whether any of the goals of the *National Food Waste Strategy* will be completed by the target date of 2030.

Although the Australian food and agricultural context differs from many of the countries successfully fighting food loss and waste, such as France or Denmark, the Australian Government should draw from the experiences of those countries if it is serious about solving the problem. Better-performing countries demonstrate strong leadership and collaboration between the government and food waste organisations, as well as much higher levels of investment into finding solutions. If the Australian Government is serious about tackling food loss and waste, it should consider demonstrating similar levels of commitment.

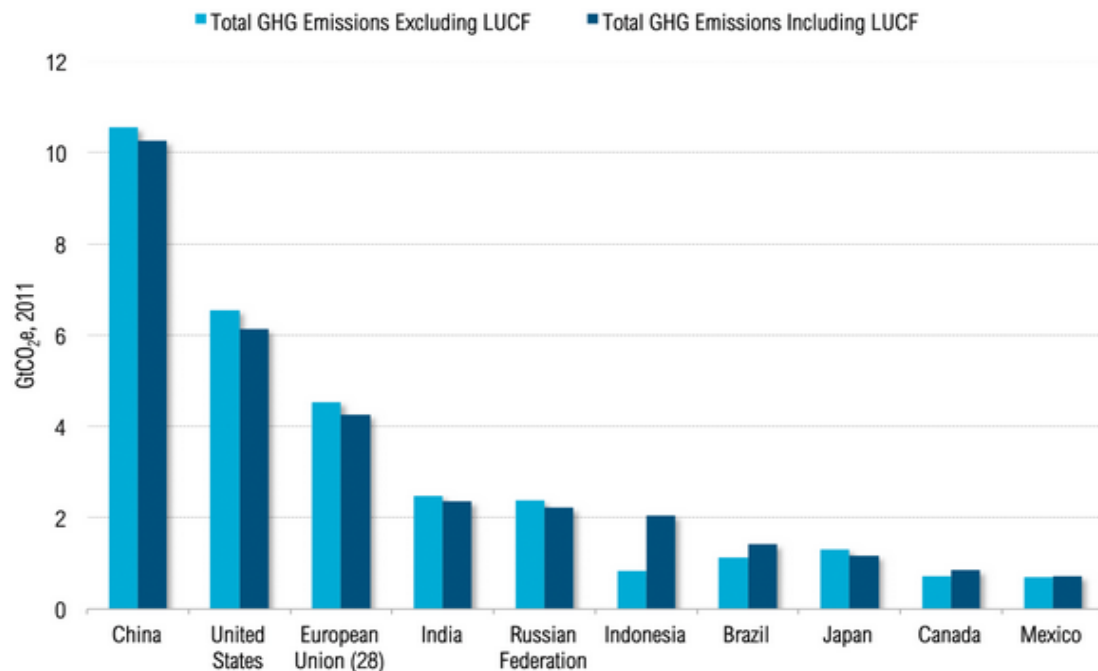
## Analysis

### *Food Waste: Context*

Estimates suggest that around [one-third](#) of all food produced globally is lost or wasted, making the reduction of food loss and waste an important part of ensuring that there will be enough food as the world's population continues to grow. "Food loss" and "food waste" refer to slightly different things. A number of [different definitions](#) exist, depending on the organisation or framework involved, which has led to varying estimates regarding volume, impact and solutions. This has caused some difficulties in communicating the extent of the issue. For the purposes of this paper, food loss and waste [will refer to](#) food that is intended for human consumption that leaves the food supply chain at some point between production and consumption, with the exception of food that is used for biofuel and animal feed (which are common destinations for inedible parts of human food).

Modern food systems are under significant pressure from an increasing global population, urbanisation and a changing climate. These pressures have [highlighted the need](#) to increase the sustainability of global farming systems and the need to preserve ecosystems, all while creating a need for more intensive farming practices that undermine these goals. With a third of food lost or wasted, however, there may be opportunities to relieve some of the pressure on food systems by wasting less of it. Furthermore, food loss and waste have environmental, social and economic consequences in their own right. Environmentally, food loss and waste are responsible for [eight per cent](#) of greenhouse gas emissions each year – if it were a country, it would be the third-largest emitter after China and the US. It also consumes one-quarter of all agricultural water used each year, which exacerbates problems in water-stressed and water-scarce regions. Food loss and waste also has economic impacts and the associated costs are high. In India, for instance, food loss and waste results in economic losses of [US\\$15 billion](#) (\$22 billion), or around 6.2 per cent of India's GDP.

## Top 10 Emitters



Source: World Resources Institute

Food loss and waste can occur at all points in the food supply chain. Broadly speaking, in low-income countries, [most loss and waste](#) occurs in the early stages (such as during production or storage), while less is wasted at the consumer level. In contrast, in medium- and high-income countries the opposite tends to hold true, with more food wasted at the consumer level (though there is some degree of loss and waste that still occurs prior to food reaching consumers). There [are four primary drivers](#) of food loss and waste: deterioration (in which the quality of the food item has become compromised, possibly through spoilage, bruising or consumption by pests), sub-optimal quality (in which the food is less than the expected quality), appearance, or where there is a lack of buyers/consumers.

### *Australia*

According to the 2019 [National Food Waste Baseline](#), Australia wasted 7.3 million tonnes of food in 2016/17, or about 298 kilograms per capita. Of this total, 31 per cent was wasted during production, 24 per cent was lost during manufacturing and 34 per cent was lost at the household level. Smaller losses were registered at other points of the food chain. The proportion of food lost at the household level was significantly less than in Europe or North America and other parts of Oceania (where this part of the food production chain accounts for [58 per cent](#) of food loss and waste). Most food wastage occurred in Victoria, followed by Queensland and New South Wales, reflecting the larger populations of these states.

The [National Food Waste Strategy](#) bills itself as a framework to support collective action towards halving Australia's food waste by 2030. While the Strategy and the Baseline acknowledge the scale of Australia's food waste problem, they are light on proposed solutions, instead delegating primary responsibility for tackling the issue to state and

territory governments, despite acknowledging the need for strong governance in implementing the Strategy.

A number of food waste reduction initiatives are being undertaken by state governments. New South Wales, Victoria and South Australia, where most of the Australian population resides, have taken steps to [address consumer food waste](#) by introducing food waste education initiatives, awarding grants to local councils for organic waste diversion and by investing in waste and recycling infrastructure. Some states are also discouraging waste from going to landfill by applying levies and by providing incentives for alternative food waste treatments.

The role of the Federal Government is limited to promoting “[strategic dialogue](#)” about the outcomes of food waste and reducing greenhouse gas emissions, through funding. The Australian Government has also supported the implementation of the Strategy with a surprisingly small initial \$1.37 million investment over 24 months. In addition to this, the Federal Government has chosen to outsource implementation of the strategy to [Food Innovation Australia Limited](#) (FIAL), which has received \$1 million of the \$1.37 million investment. In 2019, FIAL is meant to have an implementation plan to support medium- and long-term actions that support food waste reduction, a monitoring and evaluation framework to measure the progress of Australian waste reduction and have established an industry voluntary commitment programme to help businesses engage in waste reduction. As of October, it is unclear whether FIAL has achieved any of these objectives.

Without stronger governance, Australia is limited to piecemeal solutions that do not address all of the major sources of food waste. Most (56 per cent) of Australia’s food waste is created during the [production and manufacturing](#) stages but current initiatives [tend to target](#) waste at the consumer and retail level. In order to facilitate food waste reduction, the Federal Government must show better leadership and must invest more towards better waste-related infrastructure for states to be able to tackle food waste at all levels of the food chain.

### *Lessons from Overseas*

The *National Food Waste Baseline* notes (not unfairly) that Australian waste figures do not lend themselves to [international comparison](#), in part because of the complex nature of food waste. It points out that Australia’s agricultural and food contexts differ from those of other countries, which may have cooler climates, different food tastes or be more densely populated. Many countries [perform better](#) on food waste metrics than Australia, however, and it is possible to take inspiration from the policies of others while still being aware of Australia’s unique food context.

France has performed especially well at reducing food waste. Its best-known contribution to fighting food loss and waste was a 2016 law, which [made it compulsory](#) for supermarkets over 400 square metres to give unsold food to food banks and charities. Restaurants are also obliged to recycle leftover food and to provide “doggy bags” to those who ask. The results of the law have varied. The law was not, for instance, a complete ban on food waste as some media reported and some food is still wasted at the retail level. Furthermore, [no sanctions](#)

have been levied yet. Instead, most agreements rely on pre-existing agreements and tax incentives (which can be as much as 60 per cent of the value of the donated food). What the law does instead is to help make reducing waste the norm across a larger number of stakeholders than before. The year after the law came into effect, food donations rose by [30 per cent](#) and the number of supermarkets donating rose from 66 per cent to 90 per cent by 2018. The law has spawned a number of new food recovery businesses, which collect and redistribute donated goods, which has been especially useful for rural supermarkets that struggle to access food banks and charities. Supermarkets are also expected to sort and donate food 48 hours before their expiry dates, which has helped improve the quality of donated food. France also maintains excellent food [transport and storage](#) infrastructure, which helps reduce waste.

Considering that the Australian Government and FIAL have emphasised the role of [‘voluntary commitments’](#) by involved stakeholders, it seems highly unlikely that Australia will adopt the strong regulatory stance that France has taken towards reducing food waste. Australia’s size and relatively sparse population makes improved transport infrastructure less relevant to successful waste reduction. What it does demonstrate, however, is how vital strong governance and investment are to food waste reduction. The UK has also avoided strong food waste regulation in favour of voluntary arrangements and, like Australia, has [devolved responsibility](#) for food loss and waste to the sub-national level. Unlike Australia, the UK launched its first voluntary agreement [in 2005](#) and last year invested [£15 million](#) (\$27.5 million) in food waste reduction measures. Denmark, meanwhile, has reduced its food waste by [25 per cent](#) in five years. In May, the Danish Government announced it would fund another [DKK25 million](#) (\$5.4 million) towards new food waste initiatives. The Danish Government has [worked directly](#) with major non-governmental organisations with a focus on food waste and has funded official awareness campaigns.

Australia’s food chain context differs from those of France, the UK and Denmark. Australia, for instance, is much larger than each of these countries and more sparsely populated, making food loss and waste more likely during the distribution stage of the food chain. Australia will not see the same results from adopting the same strategies for managing food loss and waste. What the comparisons do highlight is the importance of strong leadership by governments and NGOs and the need for reasonable levels of investment. Until the Australian Government can provide better leadership and investment, it is unlikely that the country will make particularly strong progress towards reducing food loss and waste.

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*Any opinions or views expressed in this paper are those of the individual author, unless stated to be those of Future Directions International.*

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