



26 November 2018

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Dear Sir/Madam

Submission on *Too Good to Waste: Discussion paper on a circular economy approach for New South Wales*

Australian Pork Limited (APL) welcomes the opportunity to make a submission to the *Too Good to Waste: Discussion paper on a circular economy approach for New South Wales* (the discussion paper). APL supports a national move towards a circular economy approach to resource use and congratulates the New South Wales Government on taking a proactive role in this important discussion. Agriculture, and particularly the pork industry, has untapped potential to make a greater contribution to the waste reduction targets under a circular economy approach in New South Wales.

APL is the peak national representative body for Australian pork producers. It is a producer-owned company combining marketing, export development, research and innovation and strategic policy development to assist in securing a profitable and sustainable future for the Australian pork industry. The Australian pork industry employs more than 36,000 people nationally and contributes \$5.2 billion in gross domestic product to the economy. In 2015-16, the New South Wales pork production sector contributed around \$321 million (value-added) to the State's economy and supported 1,960 full-time jobs, generating \$160.4 million in household incomes for New South Wales families.

As a national body, APL's position on waste reduction is best aligned with its response to the Draft National Waste Policy, to which APL made a submission¹ in October 2018. APL's response focused on the pork industry's potential in the waste-to-energy and food waste reduction spaces, both of which are focal points of the circular economy plan as proposed for New South Wales. The submission identified opportunities, for example, to improve relationships along the resource use and recovery supply chains to make utilisation of food waste viable, simple and accessible for end users such as pork producers. APL also noted opportunities to incentivise uptake of waste-to-energy technology by industries.

Implementing a circular economy approach in New South Wales

APL broadly supports the key focus areas identified in the discussion paper as part of the circular economy implementation plan. APL has the following comments and suggestions on those focus areas that relate to the pork industry.

Focus area 1 - support innovation

Innovation and incentives are critical to minimise waste, conserve resources and maximise the value of resources. APL contends there is untapped potential in the pork industry to

¹ <http://australianpork.com.au/library-resources/publications/submissions-to-government/>

support this approach and there is already evidence of industry early adopters taking on such a critical role in innovation and resource management and use.

Innovative pork production systems already exist in New South Wales which reflect the principles of a circular economy. Such approaches include liquid feeding systems that can utilise food manufacturer's waste as pig feed and biogas systems that generate energy and heat to power pig production facilities from pig effluent.

APL agrees government support and funding for small to medium enterprises to incentivise adoption of innovative technology would assist businesses to make a greater contribution to a circular economy. There are also opportunities to encourage uptake of technology such as on-farm biogas production and use by reducing regulatory red tape, by simplifying the planning and application process, reducing fees and simplifying reporting processes.

Supporting innovation in areas like the packaging recycling industry is also critical if waste streams are to be utilised to their potential.

Focus area 3 - high quality consistent recycling

Recycling is an important focus area, particularly in rural and remote areas, as the current lack of availability of high quality consistent recycling poses a significant barrier to increased uptake of recycling in these regions. Additionally, there is a lack of market drivers for commercial recyclers to participate in rural and remote regions.

APL notes there are opportunities to increase the accessibility of resource recovery facilities in rural and remote areas to facilitate and encourage recycling, closer to the site of origin. This will increase viability of recycling by reducing the need to freight recyclables long distances to be processed at a high cost.

Achieving high quality and consistent recycling is also dependant on responsible packaging at the manufacturing and transport supply chain levels.

Focus area 6 - responsible packaging

There is room to mandate or incentivise that product suppliers must package in a way that makes recycling viable if a circular economy is to be achieved. APL broadly supports the proposed targets for improving the sustainability of plastics and packaging described in the discussion paper. However, APL notes that government incentives and improved communication throughout the resource use supply chain will be required to meet these targets.

Where pork producers utilise food waste, it is important that packaging is not only easy to sort and bundle for bulk recycling, but also that waste products such as food waste can be unpacked easily and efficiently enough to make it viable to utilise them. This includes reducing multi-stream packaging on a single product such as excessive soft plastic wrapping and cardboard boxing of products for bulk transport.

Focus area 4 - value organics

As a food industry, APL agrees there are significant untapped opportunities to better utilise and reduce food waste within a circular economic approach. The pork industry certainly supports encouraging donation of unsaleable food product to charity and has participated in charity programs donating pork to the needy. There may be opportunities for government to encourage such initiatives.

APL notes that the opportunity to reduce food waste coming directly from the manufacturing sector is a point missing from this discussion paper. As discussed above, the pork industry has the potential to become a significant market for food waste, with early adopters already utilising thousands of tonnes of food waste obtained directly from manufacturers and suppliers. There are significant opportunities in this space to encourage relationships between industries such as the pork industry, the food manufacturing industry and the packaging and recycling industries to enable greater utilisation of this bulk food waste and resultant packaging and recycling streams.

In considering such options, APL notes there are regulations in place that prevent feeding of certain food waste products such as meat or meat products in accordance with the national definition of prohibited pig feed². As such consideration of the biosecurity and food safety risks must be incorporated into the policy.

Suggested focus area - waste-to-energy

Another significant opportunity missing from the discussion paper is waste-to-energy. APL would ask that consideration be given to the role of waste-to-energy in the implementation of a circular economy in New South Wales.

Significant opportunities exist for government to incentivise the increased uptake of on-farm biogas systems particularly in the pork industry by small to medium sized producers. This would provide benefits including reduced food waste, reduced demand on landfill, recovery of large amounts of energy for on-farm use, reduced demand on the electricity grid, reduced long-term energy costs for producers, and reduced emissions from on-farm effluent management systems, energy production and use and reduced landfill burden. Such an approach would lead to alternative income sources for producers selling electricity from biogas into the electricity grid. Further work is required to understand the impacts of smaller parcels of generated electricity and innovative solutions to collective groups of producers would seek to implement biogas systems on farms.

To support opportunities in the waste-to-energy space, APL recommends development of a waste-to-energy strategy for New South Wales, which includes clear definitions of “waste” and “residues”, identifies opportunities to incentivise uptake by industry, and reviews the technologies currently available in the waste-to-energy space, to help support uptake of technology by industry.

In summary

APL supports the principles of a circular economy approach for NSW and contends the pork industry is well-positioned to make a significant contribution to the circular economy outcomes in NSW. Effective transition to a circular economy must be supported by government through appropriate measures and incentives along resource use and recovery chains as described above.

APL would appreciate the opportunity to be involved in further consultation and would be happy to discuss any of the comments provided in this submission. If you require further information or have any questions, please contact Grantley Butterfield, Policy Manager – Planning & Environment on 02 6270 8820 or grantley.butterfield@australianpork.com.au.

Yours sincerely



Deb Kerr
General Manager, Policy

² <https://www.animalhealthaustralia.com.au/what-we-do/biosecurity-services/prohibited-pig-feed-swill-compliance-awareness-project/>