

SUPPLY CHAIN

## Food for thought

New advocacy group, the Australian Food Cold Chain Council, aims to address food wastage by showing food producers, logistics operators, supermarkets and consumers the cost of inaction.

The Federal Government estimates that wastage across the Australian food cold chain costs the economy \$20 billion each year. In November 2017, the Department of the Environment and Energy released the National Food Waste Strategy, a document outlining the impact – both economic and societal – of food wastage, and what action the Government will take to tackle the issue and halve wastage by 2030.

One group already aware of the urgency of the problem is the Australian Food Cold Chain Council (AFCCC), an advocacy group launched by logistics professionals

in August dedicated to spreading knowledge about food wastage, improving compliance and refining legislation.

With senior figures at major Australian refrigeration, manufacturing and transport companies as founding members, the AFCCC aims to be part of the solution to Australia's food waste problem.

"We want to change the industry for the better," said Mark Mitchell, chair of the AFCCC and managing director of cold storage and transport specialist Supercool Asia Pacific.

The AFCCC is targeting the middle section of the cold food chain,

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which the Government estimates accounts for almost a third of the \$20 billion lost annually. "Food moving from the farm to the consumer – in transport and in storage – accounts for \$6.4 billion in losses annually," he said. "Unfortunately, there is a tendency for businesses in refrigerated transport and storage to be price driven, rather than quality driven. The by-product of this is wastage, a lack of compliance and a disregard for correct procedures."

Mitchell pointed out that the

industry has been ripe for a process overhaul for some time, but it is increasing consumer interest in companies' "triple bottom lines" – or their social and environmental impact, not only financial performance – that has created the perfect conditions for him and other industry veterans to take action. "We've been trying to do things 'better' for many years, while trying to appeal to businesses that are driven by the dollar to step up," he said. "It's very hard to ask companies to pick up their quality games when



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everyone is focusing on delivering the cheapest product.

"In recent times, society, consumers, governments – everyone who lives on the planet – they have realised that we can't keep abusing the environment like we have been. With this shift in focus, we can encourage refrigerated logistics businesses to do the job properly, resulting in a cold chain that produces less wastage and fewer emissions, while improving food safety and quality for consumers."

### The cost of waste

Mitchell said that the "cost" of discarded food does not only represent the price paid for it by the consumer, it is calculated based on the water, fuel and human resources it took to get it from the paddock to the plate – though food waste does not occur only

at the end of the supply chain.

"You can't just blame the consumer food wastage. This is 25 per cent of the problem, the other 75 per cent of food wastage happens upstream in the supply chain," he said.

"Temperature abuse" – the failure to maintain transported and stored food items within recommended temperature ranges – is rampant in Australia, Mitchell explained. At worst, it can compromise food safety, though most consumers will have unknowingly fallen victim. "We see a lot of temperature abuse, and it's something that affects all of us on a daily basis," he added.

"That pack of sausages that lasted two weeks in the fridge last time you bought it – it only lasted three or four days this time due to a lack of care in the cold chain.

One of our priorities will be to apply pressure in industry and in government to make sure the existing Australian standards for cold-chain food handling are properly followed."

A more compliant cold chain – free from temperature and hygiene abuse – will mean that food lasts longer on supermarket shelves and longer in the family fridge, Mitchell explained.

According to Mitchell, in order to improve Australia's "far from perfect" track record in efficient, farm-to-plate cold-food handling, collaboration between government, industry associations, food handlers and suppliers will be crucial.

"There's lots of rhetoric about commitments to food waste reduction and cold chain compliance, but little, if nothing, is being done at any level about improving the cold chain, and ensuring that standards are followed," he said.

"Nearly 40 per cent of all the food we produce in the world is never eaten. Consider that the United Nations' Food and Agriculture Organisation (FAO) found in 2013 that one in every eight people on Earth goes to bed hungry each night – there's a whole food wastage agenda to fix globally."

### Future focus

The 2017 Hunger Report Prepared by the Australian Non-Profit Food Bank found that food insecurity is

a growing concern locally, which Mark thinks many Australians would find surprising. It reported that 3.6 million Australians had experienced food insecurity within 12 months of being surveyed – and pressure on food charities is increasing by 10 per cent each year.

"Our focus on making the cold chain better essentially comes at the task from two perspectives – reducing the environmental impact of food wastage through CO2 emissions, and tackling hunger," said Mitchell. "If we want to feed the globe, we're going to need to develop and maintain highly efficient refrigeration systems in the cold chain."

He added that The World Health Organization's How to feed the world in 2050 report, produced in 2009, projected that if global food wastage continues at its current rate, there will not be enough to feed the world's population by 2050.

"We produce enough food for 10 billion people right now, though there are only seven billion of us," said Mitchell. "We have to fix this – I don't want my great grandchildren living in an environment where there's not enough food on the shelf."

Josh Frydenberg, the Federal Minister for the Environment and Energy, has invited the AFCCC to sit on the steering committee shaping and implementing the policies that will support the National Food Waste Strategy. "We will help the Federal Government as much as we can," said Mitchell. "For us, a major priority will be establishing a decent code of practice for the carriage of chilled and fresh produce, a document that the industry is missing."

"While most of the developed world is on the cusp on taking initiatives to stem food wastage, at present it's more talk than action. I think Frydenberg is to be congratulated on having developed a formal, national food waste reduction strategy – it's a little bit visionary."

The AFCCC has entered into a partnership with the National Road Transport Association (NatRoad), with the groups working together to revise and rewrite the code of practice for the road transportation of fresh product, a "long overdue" update,

according to Mitchell. "The code of practice that is in place currently was a voluntary guide put together by the now-defunct Australian United Fresh Transport Advisory Council," he said. "We're going to review and rewrite the document, so that it can support legal implementation."

The AFCCC is also keen to raise industry awareness of Hazard Analysis and Critical Control Points (HACCP) in ambient and cold food supply chains, with a view to eventually developing an accreditation program.

"Very few trucks or loading docks in Australia have temperature monitoring, even though the technology is available," said Mitchell. "The nation's cold chain compliance is behind other developed nations, and Europe is leading the way. We want to spread the word about the HACCP principles, to show businesses how to improve food safety and gain better control over their supply chain."

After that, he said, the end goal is to get every stakeholder carrying food for Australian consumers involved in an accreditation program – through a common desire to do better, ideally, rather than through fear of legal reproach. "We believe there's a better way to go about bringing in better standards than by enforcing strict legislation – there are already more than enough rules to follow in Australia," he said.

"We want this to be about doing the right thing, for the right reasons – and it won't hurt companies' triple bottom lines when consumers see the steps they're taking to help end hunger, reduce their impact on the environment and maintain quality and food safety."

Mitchell hopes that the coming years will see a shift in the way Australia's cold chain, retailers and consumers think about the food they buy, eat and discard.

"It is my wish and the AFCCC's wish to enable and empower the logistics industry, food producers, supermarkets and all other stakeholders to voluntarily do some heavy lifting to bring about a more compliant, quality cold-chain and supply environment," he said.

### FOOD FOOLISH

"A full accounting suggests that every dollar of food preserved today has the multiplying financial impact of about 2.5 times. In other words, for every dollar of wasted food saved, we receive \$3.10 in health, agricultural, social and environmental benefits. As we continue to understand and measure the full costs associated with lost and wasted food, it seems possible that this multiplying effect will only grow."

- John Mandyck, chief sustainability officer for global manufacturing company United Technologies in Food Foolish, his 2015 book looking at the connection between food waste, hunger and climate change.