



BENEFITS OF THE **AUSTRALIAN FOOD PACT – TECHNICAL ENGAGEMENTS.**

Food loss presents a significant challenge for Australia's food manufacturing industry, with 17%, or 1.3 million tonnes, of food lost annually. In line with Australia's target of halving food waste by 2030, the Australian Food Pact provides technical support to food businesses across the supply chain, identifying solutions to minimise food losses and improve economic performance.



THE OPPORTUNITY

Businesses often struggle with accurately measuring food losses and implementing effective reduction strategies. With food loss costing around 5.6% of a business' total sales,¹ the financial burden can be substantial.

The good news is that addressing the food waste challenge presents an opportunity for businesses to boost productivity while improving global environmental sustainability.



THE OBJECTIVE

The overarching objective of the Australian Food Pact's technical engagements is to support Signatories in achieving measurable outcomes. These engagements aim to:

- Identify actual and potential food loss hotspots within operations and supply chains.
- Pinpoint root causes of hotspots.
- Co-develop solutions and implementation plans.
- Develop bespoke Food Waste Action Plans grounded in global best-practice.



THE METHOD

With a focus on food losses, these engagements bring together cross-functional teams to improve production performance and efficiency. The Australian Food Pact employs two primary methods to achieve this:

Sprints involve site assessments followed by implementation workshops. During a site assessment, the Pact engages a team that conducts an on-site review of production lines to identify and quantify loss hotspots, perform root cause analysis, and assess the materiality of hotspots. This is followed by an implementation workshop where deeper operational and cultural causes are explored, possible solutions are identified and responsibilities allocated.

Walk the Chain workshops provide a holistic view of food loss across a product's supply chain by bringing together key stakeholders. Through group activities, participants collaboratively map the supply chain, identify loss hotspots and develop solutions. The workshops emphasise targeting high-impact areas and aim to avoid shifting food losses unfairly to one supply chain partner.



CONTRACT MANUFACTURING – MINI CASE STUDY

The Pact conducted a site assessment at a food manufacturing facility of various processed products and condiments. The assessment identified several significant loss hotspots throughout the production line. It was identified that for every 1,200 kg bag, the site wasted 2.5% of one ingredient remaining in the bulk bag. Additionally, it was identified that the site lost product in transfer lines, at product change-overs, and from misaligned conveyor belts.

The Pact's engagement led to several on-site solutions, including:

- **Enhanced Measurement and Analysis:** Prioritising higher granularity on main loss causes. This included efforts to quantify unseen losses in rinsing water and product remaining in pipes, potentially through "pigging" technology.
- **Operational Improvements:** Implementing better controls for change-overs to reduce loss and modifying equipment to minimise spillage.



GETTING INVOLVED

Since the Australian Food Pact's inception, Signatories have reduced food waste by 13% (16,000 tonnes) compared to 2022, while the total food handled increased by 19%. In 2023 alone, Pact Signatories collectively saved \$57 million by reducing food waste by 16,000 tonnes.

In providing technical support to food businesses across the supply chain, The Australian Food Pact can identify solutions to help businesses operate more sustainably, maximise efficiency and drive economic growth.

To find out more about The Australian Food Pact and become a Signatory, visit endfoodwaste.com.au/australian-food-pact



1. Capgemini, 2022, "Why Food Waste is Everybody's Problem"
capgemini.com/wp-content/uploads/2022/06/Final-Web-Version-Food-Waste.pdf

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