



FIGHT FOOD WASTE & FRAUD CRC

To protect and profit
Australia's food & wine industry

WHY YOU SHOULD INVEST IN THIS CRC?

You are an organisation in the food or beverage industry concerned about the 42% of food that Australia currently wastes and you are committed to the United Nations Sustainable Development Goal 12.3 of reducing food waste.

You may be an Australian exporter of food or wine that wants to protect your products in international markets from counterfeiting, as well as protect 'Brand Australia'.

You are able to bring innovative ideas and a willingness to work collaboratively with the best team in Australia and leading international collaborators to reduce food waste and fraud.

You are motivated to leverage your resources to achieve faster, more cost-effective research, development and education outcomes to achieve the objectives of your organisation.

As an industry participant, you want higher profits as a result of reduced waste and enhanced product integrity, lower costs, better product protection, customer loyalty, greater market share, demand in new markets, and more skilled workers.

As a local, state or federal government participant you are committed to reducing food waste landfill and subsequent greenhouse gas emissions, protecting "Brand Australia", growing regional economies and creating new jobs and businesses in the circular agri-food economy.

You wish to be associated with the pre-eminent group in Australia fighting food waste and fraud for the benefit of Australian industry, the economy and the environment.

And you get it – you understand that fighting food waste and fraud is the simplest way to directly increase your sustainability and profitability.

AUSTRALIA'S NEED

Australia has a strong international comparative advantage in the food and wine sectors. Despite this advantage, we are still losing over \$20 billion p.a. of value through food loss and waste through inefficient food supply chains and as a result of consumer behaviour.

Food waste is a global issue that most of the developed world has now recognised and are committed to the United Nations Sustainable Development Goal 12.3: *By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including postharvest losses.* Australia will also be committing to this goal through the impending National Food Waste Strategy.

Likewise, food and wine fraud is a global economic issue that affects all Australians. As a result of Australia's global reputation as a supplier of high quality and safe food and wine in the international marketplace, 'Brand Australia' is increasingly being hijacked by unscrupulous operators counterfeiting our products in overseas markets. Initial estimates put the cost of lost food and wine sales alone at several billion dollars each year.

Through industry-led research, development and education the cost of food waste and product fraud can largely be prevented, and as a result the Australian food and wine industry can regain profit.

Economically, the World Resources Institute recently reported that on average food waste reduction delivered a 14x Return on Investment (ROI) to the 700 companies involved in their study, 92x return for cities and a 250x return for countries. Furthermore, a Pricewaterhouse Coopers (PwC) report identified that a single food fraud incident can cost 2-15% of the annual revenue of a company, which could financially cripple a food company, as well as causing serious damage to 'Brand Australia'.

Of course, food waste and fraud doesn't just impact businesses, it affects every Australian. Recent New South Wales Government estimates put the cost of food waste at \$4,000 p.a. for the average household. Furthermore, food fraud costs United Kingdom households the equivalent of \$750 p.a., with a similar impact likely in Australia. So fighting food waste and fraud puts money back into the pockets of everyday Australians, which is good for them and the economy.

As well as economic and social returns, environmental returns from the proposed Fight Food Waste & Fraud CRC will be significant, as wasted food is the world's third largest Greenhouse Gas (GHG) emitter. Avoiding food waste will make a major contribution to Australia meeting its international GHG reduction obligations and importantly we can all play our part.

OUR VISION

TO PROTECT AND PROFIT AUSTRALIA'S FOOD & WINE INDUSTRY

We will assist Australian food and wine companies to reduce costs and increase productivity and profits as a result of cost savings from co-product development and reduced waste disposal charges.

We will reduced product substitution which will lead to higher sales and market share for Australian food and wine exporters.

Greater confidence in Australia's food and wine brands will lead to greater customer loyalty and new market opportunities.

Both aspects will reduce business risks and enhance industry profitability.

Less waste will improve the sustainability of Australia's food and wine sector and may lead to financial opportunities through the Federal Government Emissions Reduction Fund.

The benefits we seek for Australia will ultimately be greater economic growth, protection of our valuable national food and wine brand in the global marketplace, reduced greenhouse gas emissions and more employment within the food and wine industry, particularly in regions.

PROGRAM DESIGN & BENEFITS

The Fight Food Waste & Fraud CRC will develop a research program based on the below indicative structure to profit Australia's food and wine industry.

MISSION: We will protect and profit Australia's food and wine industry through reducing food waste and fraud through collaborative industry-led research, development and education.

RESEARCH CAPABILITIES: Food science, organic chemistry, food safety, molecular biology, genomics, engineering, packaging design, agribusiness and marketing, human and animal nutrition, social science, economics.

TRANSFORMING WASTE	PACKAGING INNOVATION	BRAND PROTECTION	EDUCATION & TRAINING
<ul style="list-style-type: none"> New co-product development Functional ingredients Decision support tools for waste transformation Technology optimisation 	<ul style="list-style-type: none"> Smart & intelligent packaging Industrial design Improved product storage Shelf-life optimisation Food waste prevention 	<ul style="list-style-type: none"> Known composition Proof of provenance Traceability Certification diagnostics Product assurance 	<ul style="list-style-type: none"> National Food Waste Strategy Consumer education Industry communication & training Student training
Food safety and integrity			
Circular economy business opportunities and market research			
Effective policy and governance			

<p>BENEFITS</p> <ul style="list-style-type: none"> Reduced industry waste & disposal charges Nutraceutical industry development Higher industry profits Income diversification New bio-industries Regional jobs & growth Environmental sustainability 	<p>BENEFITS</p> <ul style="list-style-type: none"> Reduced product waste Greater market share Command higher prices More loyal consumers New export markets through increased shelf life Social responsibility Business growth 	<p>BENEFITS</p> <ul style="list-style-type: none"> Reduced product counterfeiting Greater product integrity Consumer trust Increased sales Reduced business risk Improved brand value Protect 'Brand Australia' 	<p>BENEFITS</p> <ul style="list-style-type: none"> Greater food recovery Reduced food loss & waste Reduced landfill Reduced greenhouse gases Upskilling workers Better fraud prevention Supply chain assurance Free up household incomes
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HOW TO PARTICIPATE IF YOU ARE FROM INDUSTRY OR GOVERNMENT

You will help identify what research and education activities will be undertaken by the Fight Food Waste & Fraud CRC to deliver the greatest benefits to your business, the industry, your state and Australia.

The projects that you help to develop will determine your time and resource commitment to the CRC.

You are encouraged to invest both cash and in-kind resources to the CRC research projects. Note that all in-kind contributions of your staff will be valued at \$250,000 pa per 1 full time equivalent staff member (FTE), in which case a 0.2 FTE commitment by one of your staff will be valued at \$50,000 pa.

Existing investments that you are making into research and development that align with this CRC may be brought into the CRC and be counted as an investment towards the CRC.

Your investment of cash and in-kind resources into CRC research projects that you help determine will leverage additional cash and in-kind resources from the organisation that will assist you in meeting your company goals.

If you are a small or medium enterprise (SME), you will be required to commit a minimum of \$50,000 p.a. cash and in-kind for the period you are involved in the CRC, which can be from one to ten years, with 12 months notice required to withdraw participation.

Large companies will need to invest a minimum of \$100,000 p.a. cash and in-kind resources to participate, for which their indicative ROI will be determined prior to any binding commitment being made (around June 2018 if successful).

Industry contributions to the organisation, which will be a company limited by guarantee with an independent Board, can potentially be claimed against the R&D Tax Incentive.

HOW TO PARTICIPATE IF YOU ARE FROM A RESEARCH ORGANISATION

Research organisations will need to identify the skills, capabilities and industry partners that they can bring to the CRC to deliver the vision, mission and priority research areas identified.

Research organisations will need to invest a minimum of \$100,000 p.a. cash plus additional in kind to participate. Research organisations that have Program Leaders in the CRC will need to contribute \$200,000 p.a. cash plus in kind.

BID LEADERSHIP



Dr Steve Lapidge

Dr Steve Lapidge is bid leader and CEO for the Fight Food Waste & Fraud CRC bid. Currently, he is the Director of the Food Innovation Taskforce within PIRSA. His qualifications include a PhD, MBA and GAICD. He has 15 years experience in the agri-food industry.

In recent years Steve has been deeply involved in the issues surrounding food loss and waste. He has represented Australia at G20 (2015 and 2017) and OECD (2016) food loss and waste meetings, including being an invited session Chair. He is uniquely qualified to be leading the bid.

Steve has personal experience of working within and managing a CRC, having been a Program Leader and COO within the Invasive Animals CRC. He was the 2010 Fulbright Business/Industry (Coral Sea) Professional Scholar for his product development and international commercialisation work with SME's within the Invasive Animals CRC.

The Department of Primary Industries and Regions South Australia (PIRSA) is the primary proponent for the Fight Food Waste & Fraud CRC, which includes the South Australian Research and Development Institute (SARDI) division of PIRSA. The Fight Food Waste & Fraud CRC will be headquartered in South Australia.

The key roles within the Fight Food Waste & Fraud CRC, including Independent Chair, Research Director and Program Leaders, are currently being discussed with leading industry and research identities.

INTELLECTUAL PROPERTY

As a minimum all Fight Food Waste & Fraud CRC projects will involve an industry partner that defines the research, a research partner that helps deliver it, and an education partner or industry association that assists in outcome extension and industry education. Before any projects are funded they will go through an industry design process.

Default Project Intellectual Property (IP) arrangements will be for the CRC to own Project IP to ensure its effective utilisation.

The major project cash contributor will be offered first right of refusal to own and commercialise Project IP.

Alternative IP arrangements will be negotiated on an individual project basis.

EXPECTED TIMELINE

STAGE 1

- May 2017.** Release of revised Prospectus. Raise bid development fund from partners.
- June 2017.** Industry workshops or survey to identify knowledge needs. Engage bid development team. Prepare 20 page Expression of Interest.
- July 2017.** Submit Expression of Interest.

STAGE 2

- September 2017.** Stage 2 opens for shortlisted bids.
- October 2017.** Prepare Full Business Case.
- November 2017.** Full Business Case due.
- March 2018.** Successful bids announced.
- July 2018.** Successful bids commence.



CONTACT DETAILS

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