

NSW GOVERNMENT FUNDING REQUEST

4 May 2022

OzHarvest seeks \$3.5 million in annual funding to divert food from landfill and deliver 7 million meals to charities supporting people in need. This will save up to 23 million kg of CO2 emissions each year.

Food insecurity remains persistently high following the Covid pandemic

- Pre-Covid, NSW had a high baseline need for food relief: 1 in 5 people faced food insecurity in 2019.
- This need escalated dramatically during the pandemic, so NSW Department of Communities and Justice (DCJ) funded OzHarvest to distribute food to charity agencies \$20 million over two years.
- Need remains high as vulnerable households and industries struggle to recover from Covid, exacerbated by the increased cost of living and recent floods. Searches for food relief on Asklzzy are currently 109% higher than pre-Covid.
- DCJ funding for food relief will end on 30 June 2022. At a minimum we expect to see the (pre covid) return of 180 agencies back to our waitlist.

Food rescue can eliminate charity waiting lists at a fraction of the cost of purchasing food

- OzHarvest rescues food destined for landfill and delivers it free of charge to charities.
- This is the cheapest form of food relief: for every \$1 invested, OzHarvest can deliver 2 meals.
- Food relief services prevent people from falling into a deeper level of vulnerability, thereby reducing the burden on social security, education, healthcare, and justice systems. They also underpin community resilience.
- OzHarvest's food rescue delivers a Social Return on Investment of \$9 for every \$1 invested.
- Food rescue can be scaled to meet the need only 0.2% of wasted food is currently rescued.

Food rescue is direct action on climate change

- Food waste is responsible for 8-10% of global greenhouse gas emissions.
- NSW has committed to halving food waste to landfill by 2030.
- Food rescue provides a food waste solution for NSW businesses, helping them green their operations.
- For every 1kg rescued, OzHarvest saves up to 6.6kg of CO2 emissions.

OzHarvest needs \$2.5 million/year to continue existing services in NSW

- Before Covid-19, OzHarvest was funded by corporate and individual donations; however, these income streams continue to be supressed by pandemic-related uncertainty. We cannot raise the funding required to continue our existing food rescue services.
- \$2.5 million in annual funding would cover 50% of OzHarvest's operating expenses in NSW. This would ensure sustained services for the 700 charities who rely on OzHarvest to supply their food programs.
- DCJ recently conducted a review of the NSW Food Program, including the business case for ongoing funding for food relief. We are still awaiting the outcome of this review.

An additional \$1 million/year would allow OzHarvest to rescue more food and meet the additional need:

- Eliminate the waiting list for charity agencies seeking food;
- Deliver an additional 2 million meals and save an additional 7.7 million kg in CO2 emissions; and
- Establish a Western Sydney Hub, to increase services to support the region hardest hit by the 2021 Delta lockdown, and to rescue more food from primary producers.

A total \$3.5 million in annual funding would deliver a \$31.5 million social return on investment:

- Deliver 7 million meals and save 23 million kg of CO2 emissions each year; and
- Move the dial on NSW's commitment to halve food waste by 2030.





APPENDIX

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Food insecurity in NSW¹

- 1 in 6 adults in NSW did not have enough to eat last year.
- 64% of food insecure people have a job.
- 371,000 children in NSW/ACT went hungry in 2021.
- 43% of severely food insecure parents say their children go an entire day without eating at least once a week.

Food waste in NSW

- 8-10% of global greenhouse gas emissions come from wasted food.²
- NSW wastes 1.5 million tonnes of food per year, ³ costing the NSW economy an estimated \$7 billion.⁴
- Only 0.2% of Australia's wasted food is currently rescued.⁵

OzHarvest's food rescue model

- OzHarvest uses agile, just-in-time logistics to rescue fresh and short life food from supermarkets, restaurants and fulfilment centres and distribute it on the same day, to charities. This ensures:
 - o Value-for money: For every \$1 invested, OzHarvest can deliver two meals.
 - o Efficiencies of scale: Food is delivered directly to charities, removing barriers such as lack of staffing, transport and resourcing.
 - o *Resource gains:* Food is provided at no cost and distributed free of charge, allowing agencies to redirect their limited budgets to vital community services.
 - o *Nutrition:* 60% of rescued food is fresh produce and 90% is nutritionally valuable; this increases the proportion of fruit and vegetables consumed by food recipients.
 - o Climate action: For every 1kg rescued, OzHarvest can save up 6.6kg of CO2 emissions.
- A Social Return on Investment analysis conducted externally in 2022 found that for every \$1 invested in OzHarvest's food rescue operations, \$8.97 is returned to the community via additional agency capacity, long-term health benefits, improved access to social services and decreased landfill (based on FY20/21).

OzHarvest's food rescue operations in NSW

- OzHarvest was founded in 2004 by Ronni Kahn AO and has delivered 100 million meals across NSW.
- In 2021 we rescued 4.1 million kg from 1,116 NSW businesses and delivered 8.2 million meals to 919 charity agencies, which saved 27 million kg of CO2 emissions.
- Food rescue operations cover Sydney, Newcastle, Central Coast, Sapphire Coast, Port Macquarie, Coffs Harbour, Southern Highlands and Wagga Wagga critical infrastructure for community resilience.
- Rescued food also supplies two sites directly supporting those in need: OzHarvest Market in Waterloo
 providing groceries; and Refettorio OzHarvest in Surry Hills, a community hub serving cooked meals.
- Operations are supported by 1,100 regular volunteers.

OzHarvest's emergency food relief program during Covid

- DCJ provided \$20 million in NSW Food Program grants between March 2020 and June 2022 to meet the increased need.
- Funding was used to distribute purchased food via hampers, cooked meals and to top-up food rescue –
 8.9 million meals delivered to date, in addition to usual food rescue operations.

¹ Foodbank Hunger Report 2021

² United Nations Environment Program, 2021. Food Waste Index Report 2021

³ Arcadis, 2019. National Food Waste Baseline: Final Assessment Report

⁴ FIAL, 2021. National Food Waste Strategy Feasibility Study

⁵ FIAL, 2021. National Food Waste Strategy Feasibility Study – Final Report