

FIELD FRESH TASMANIA

Market access as a driver of biodiversity conservation at an industry scale – a possibility!

Tasmania:

Region: North West Tasmania

Affiliated Regional NRM Group: Cradle Coast Catchment Authority

Background

United Kingdom (UK) and European supermarkets are requiring increased environmental management reporting from local suppliers as a condition of purchase of fresh products. It is inevitable that the same requirements will apply to international suppliers if they want to retain access to the UK and European markets. The experience of Field Fresh Tasmania provides an insight into how these environmental management requirements could influence an industry to consider biodiversity conservation as a part of business practice.

Field Fresh, TESCO and Tasmanian Onions

The onion industry is the most valuable agricultural crop in the Tasmanian economy. Tasmania accounts for 80% of Australia's onion exports even though it only produces one third of the country's total onion crop. Field Fresh Tasmania Pty Ltd (Field Fresh) is Tasmania's largest onion packer and exporter. Onions are supplied under contract to Field Fresh and the company packs and markets over 70% of Tasmania's onion crop. Field Fresh supplies onions to TESCO (the UK's largest supermarket chain), a contract that represents about 10% of its business.



TESCO developed a food labeling scheme called Nature's Choice (essentially a code of practice) and adopted a policy that they would only accept produce accredited with the Nature's Choice label. Through this scheme, accredited growers are audited against seven criteria, one of which is that growers have to demonstrate that they are maintaining and enhancing the nature conservation and landscape values of their properties. Nature's Choice is underpinned by a 'green' philosophy of stewardship and is essentially aiming to combine production efficiency and conservation values through the Code of Practice.

To achieve accreditation under Nature's Choice, a policy statement (effectively an action plan) needs to be developed for each of the seven elements. Grower adoption of the Code of Practice must be demonstrated beyond a six-month period before Nature's Choice certificates are issued.

TESCO's policy affected Field Fresh in 1998 when it advised Field Fresh that it would only source produce from growers accredited through Nature's Choice. TESCO accredits growers via the supplier who is then responsible for ensuring that individual growers meet the Nature's Choice requirements.

How does a vertically integrated supplier demonstrate compliance?

Recognising an opportunity to differentiate themselves in an increasingly competitive market place, Field Fresh:

- ❖ commenced an awareness-raising campaign amongst its contract growers about the new requirements;
- ❖ completed a study tour of TESCO's UK based onion suppliers, as a member of a Tasmanian group that included Department of Primary Industries, Water and Environment, Agronico and the Tasmanian Farmers and Graziers Association;
- ❖ worked with the study group to develop a series of training modules based on the accreditation scheme, for delivery to the contract growers;
- ❖ sponsored a team of Tasmanian based auditors on a study trip of the UK;
- ❖ approached Bushcare to design and implement an assessment process for the Wildlife and Landscape Conservation and Enhancement component of the scheme. In Tasmania, Bushcare is also responsible for the delivery of the Land for Wildlife Scheme, and it was thought that the scheme met one aspect of the quality assurance (QA) – membership representing a positive attitude to conservation.

Assessing compliance with Wildlife and Landscape Conservation and Enhancement

The assessment pathway for this component of Nature's Choice is detailed in Figure 1.

1. QA facilitator undertakes an initial assessment of the property to gather information about the presence and/or absence of special native fauna and flora including wetlands and grasslands. The initial assessments need to be verified by people with biodiversity expertise such as Bushcare/Land for Wildlife officers.
2. Bushcare officers undertake a digital data search for mapped species, plant communities and cultural data.
3. If conservation values exist on a property, above a threshold level, the land manager is offered the opportunity to participate in Land for Wildlife. If the property does not qualify for Land for Wildlife, recommendations to enhance nature conservation values are drafted. At this stage the threshold level is quite low.
4. A conservation plan for the property is drafted and includes recommendations for the management of conservation values.
5. The conservation plans are provided to the land manager and agreed recommendations are incorporated into property plans and potential funding sources are identified.
6. A Game Management Plan is required where wildlife management is an issue.
7. An independent quality assurer assesses for accreditation for Nature's Choice – two audits are required before a grower becomes fully accredited through Nature's Choice.

Growers are required to submit to a regular audit to ensure compliance. Some components of the scheme will require an annual audit and others, such as the nature conservation component, will be audited less frequently, probably biannually. The conservation audit assesses grower's compliance with their agreed conservation plans.

Achievements to Date:

- ❖ 80 growers participated in the program with 65 receiving a Certificate for Responsible Agriculture. This certificate was accredited to Nature's Choice standards. Growers did not receive the Nature's Choice certificate after one year as was the initial understanding. However, some growers have found the Responsible Agriculture Certificate to be useful in highlighting credentials to other companies.
- ❖ Bushcare officers identified populations of rare and endangered species of flora and fauna on a number of properties.
- ❖ A bonus was the location of the participating properties; their proximity resulted in a landscape approach to conservation through the Nature's Choice accreditation scheme.
- ❖ Commitment to on-going nature conservation activities.
- ❖ Increased awareness of broader environmental issues such as nature conservation.
- ❖ Participation resulted in access to the Melbourne market for some growers.
- ❖ Reduced insurance costs for some growers.

Information Used:

National data

- ❖ Landsat™ 1995 data
- ❖ IBRA

State data

- ❖ Parks and Wildlife GT Spot GIS database
- ❖ TASVEG 2000

Market and Non-Market Mechanisms for Biodiversity Conservation:

Economic Instruments (financial mechanisms)

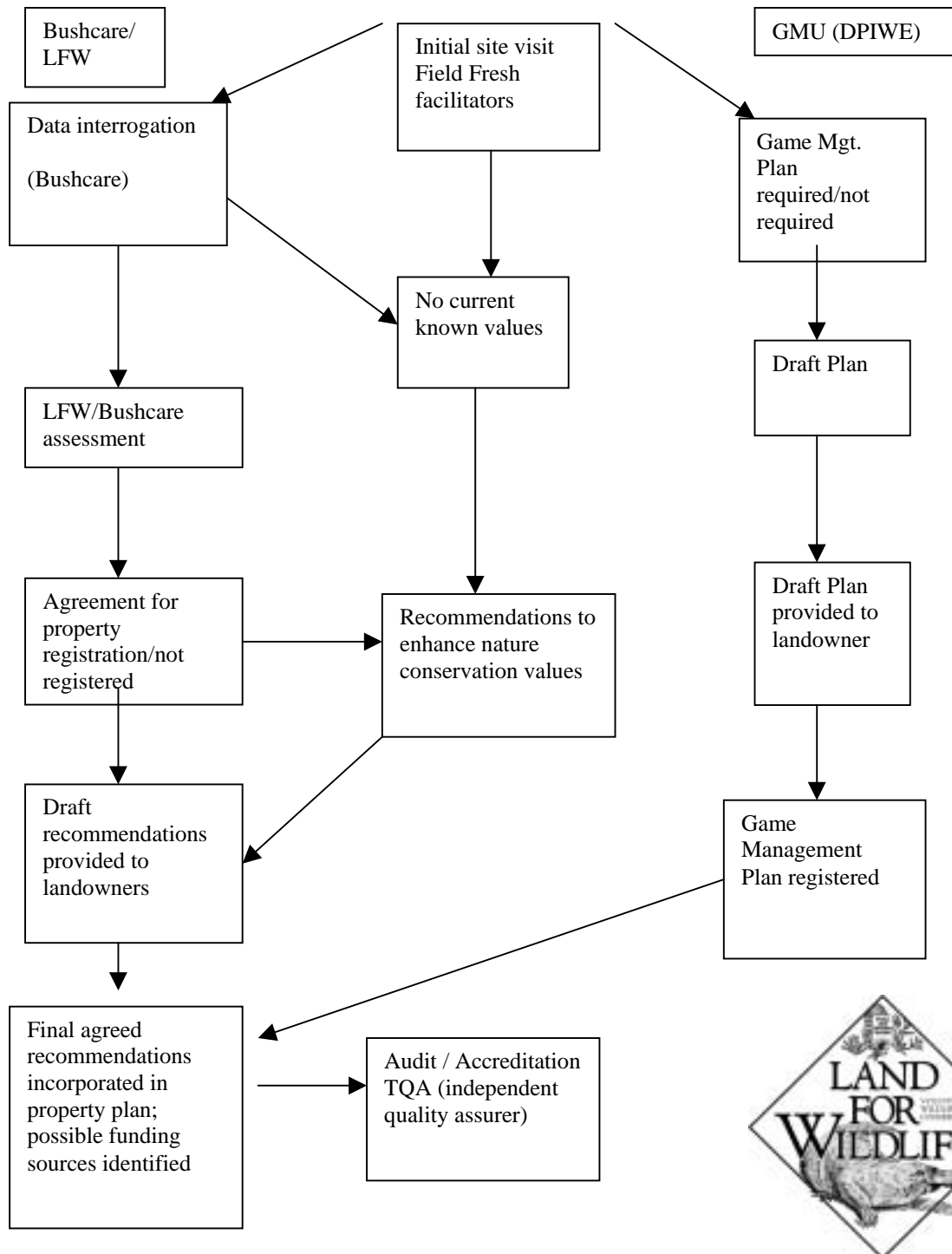
- ❖ Once-off price premium paid to growers as an incentive for adoption, with \$5 per tonne premium offered to growers in the first year after accreditation.
- ❖ Compliance will enhance opportunities for market access.
- ❖ Costs of implementation were shared between Field Fresh; the contract growers; Supermarket to Asia Ltd; Department of Primary Industries, Water and Environment; Department. of State Development; and the Natural Heritage Trust.

Community Measures (motivational mechanisms)

- ❖ Training program to assist growers to understand the requirements of Nature's Choice accreditation.
- ❖ Acknowledgement through recognition with a certificate – the Responsible Agriculture Certificate.
- ❖ Facilitation as a component of the assessment process.
- ❖ Land for Wildlife registration.



**NATURES CHOICE
WILDLIFE AND LANDSCAPE CONSERVATION
COMPONENT ASSESSMENT PATHWAY USED**



This assessment pathway was designed to implement the Wildlife and Landscape Conservation Component of TESCO (UK) Natures Choice Quality Assurance Scheme for Bushcare Tasmania by Sean Cadman 1999. A full description and assessment of this project - which involved 80 onion growers in Northern Tasmania is in preparation. Growers successfully participating in the scheme were promised a price premium for their onions.

Critical Success Factors:

- ❖ TESCO requirement for Field Fresh to adopt Nature's Choice Code of Practice (Market Access).
- ❖ Price premium paid in the first year, however, this is not the overall driver, it is market access/trade advantage that will drive adoption of these schemes.
- ❖ Incentives: 60-70 % of the accreditation process was funded by Field Fresh and the federal and state governments.
- ❖ Facilitation – one on one interaction with the contract growers.
- ❖ Bushcare/Land for Wildlife capacity to undertake the conservation planning and deliver a credible assessment process for the nature conservation component of the scheme.
- ❖ On-going audit requirement to maintain involvement in the scheme.

References and Further Reading:

- Bond, E, Cadman, S., Carey, N., and Hart, M. (2002). *Tasmanian experiences in implementing a QA/OEMs to supply export markets*. Conference Proceedings in preparation. (contact Sean Cadman).
- Cadman, S (2000). 'Can the market deliver nature conservation? Nature's Choice in Tasmania'. *Danthonia* 8 (4; 6-7). (Journal of the Plant Conservation Society of Australia).

Contact for further information

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