

Reducing food waste with the Trans-Pacific Partnership

With the signed TPP agreement and eliminated tariffs, the trade of import and export foods such as fruits and vegetables between the twelve member states of the agreement will reach new heights in the near future. In this, Dutch-based company Orgacure, sees an opportunity to improve food safety and reduce food wastage.

On the way from farm to fork a lot of produce still gets wasted. The UN assessed the global cost of food waste at \$ 1 trillion. Yet, with the benefits TPP contains it can change the situation for the better: with the potential savings on import tariffs, farmers and retailers have extra money to invest in produce safety and shelf-life, which in return pays off directly with reduced waste figures and expenses for pesticide analysis going into millions of dollars. On the income side it opens marketing possibilities for growers and sellers of safe and clean fruits of vegetables targeting families and the health focused consumer.

Leaders of prospective member states at a TPP summit in 2010

Orgacure is specialized in reducing food waste in the fresh produce and food service industry, enjoying regulatory approval in Singapore, a TPP member, for their patented fruits and vegetables wash, which purifies fresh produce from bacteria and residues, and prevents it from early spoilage.

New Zealand's kiwifruit industry can illustrate how food wastage can be reduced with the TPP. From the new trade agreement, it expects \$1,000 in savings for every hectare kiwifruit grown. The kiwi farmer operates with a yield of 9,000 kiwi trays and returns of \$ 44,000 per hectare. By taking \$ 500, half of the tariffs savings, and investing it into produce safety and cleanliness, the returns in the kiwi value chain could well increase by 12% or more and farmers could make \$ 1,500 extra per hectare, while adding value to their business by distinguishing from other growers and contributing sustainability to the value chain with lower food waste figures.

Roger Bierwas, CEO Orgacure B.V.

This could also be an opportunity to improve the brand recognition of 'Orgacure' growers and marketers. Market research in the US suggests that more than 50% of all consumers are concerned about the safety of fruits and vegetables with their purchasing decisions depending mainly on produce safety, price and residues (top 3) while organic was last (8). In a supermarket scenario where organic produce is priced 30-100% more expensive than conventional grown produce, the consumer could well opt for 'Orgacure' produce because it addresses their safety concerns as closest in relation to the price asked for the fruits and vegetables. Perhaps a 10% premium can be justified for safer and cleaner fruits and vegetables; even more to the fact that the 'upgraded' produce is purified, consumers don't have to wash it at home again which adds convenience to the fresh produce category.

For more information, please visit orgacure.com (<http://orgacure.com>).

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