



Know-how for Horticulture™

Implementation of the Freshcare on farm food safety program

Clare Hamilton-Bate
Freshcare Limited

Project Number: AH00017

AH00017

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**Implementation of the Freshcare On-Farm Food Safety Program
Horticulture Australia Project Number AH00017
(1st July 2003)**

Final Report

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This report has been prepared at the conclusion of the Horticulture Australia Project Number AH00017 – ‘Implementation of the Freshcare On-Farm Food Safety Program’. The report outlines the progress of the Freshcare program from its initial launch in July 2000, to the conclusion of the implementation phase, in July 2003.

Funding for the project was provided through the AusHort program.

July 2003

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Media Summary

The assurance of safe food is a fundamental requirement for all customers, domestic and export. Food safety is a non-negotiable condition of supply.

Freshcare was established as the fresh produce industries own on-farm food safety program. Freshcare is a national, industry owned, not for profit program suitable for all growers of fresh produce and, widely accepted by major customer groups including pack-houses, processors, wholesalers, retailers and the food service sector.

Based on HACCP (Hazard Analysis Critical Control Point) principles, the Freshcare code of practice was developed specifically for the fresh produce industry. The code describes the practices required on farm to provide an assurance that the fresh produce grown is safe to eat.

Freshcare training provides participants with the tools required to undertake their own on-farm risk assessment, implement the code of practice and maintain the necessary records.

The training component is fundamental to the success of the Freshcare Program. It ensures a full understanding and 'ownership' of the system at farm level. Freshcare cannot be 'bought' as a shiny manual, it has to be understood, implemented and maintained by the individual grower member.

A third party training assessment (year one) and subsequent annual on-farm and desk audits, further enhance the credibility of the Freshcare program. These provide independent verification that the program has been implemented successfully and is maintained on farm.

In addition to the food safety system itself, Freshcare provides its members with ongoing support and guidance, as issues arise and as customer and legislative requirements change.

Unlike a 'stand alone' QA system, Freshcare provides an ongoing support mechanism for its members, provides a representative voice for members on food safety issues and continues to evolve and develop to better meet member and market requirements.

The support of Horticulture Australia Limited, through the AusHort Program, has enabled Freshcare to become firmly established within the Australian fresh produce industry.

With a current membership of over 1750 (1st July 2003), Freshcare is the most popular option for on-farm food safety management in Australian horticulture. With a steady stream of new members every month, the Freshcare Program will continue to grow and to support its members in all aspects of on-farm assurance.

Introduction

The Australian fresh produce industry consists of approximately 20,000 growers of many different products and from growing regions around Australia. A small number of these have been certified to quality management/food safety schemes such as ISO 9000 (around 36), SQF 2000 (902 businesses) and Woolworths' Vendor Quality Management Scheme (around 200 growers). These programs have been running for some time but have attracted only a small proportion of the total number of growers.

Demand for food safety programs is being driven largely by the commercial interests of major retail chains and from proposed new State/Federal food safety regulations. While growers accept the need to have safe food systems, they are reluctant to spend large amounts of time and resources on compliance to maintain their food safety programs.

To meet requests from growers and customers for a practical fresh produce industry food safety program, a national team of quality specialists released "*Developing an Approved Supplier Program for Fresh Produce - a Guide for Customers and Suppliers*" in February 1999, this provided the basis for the Freshcare Code of Practice. This guide was developed through experience gained working with growers and implementing Hazard Analysis Critical Control Point (HACCP) programs for ISO 9002 and Woolworths' Vendor Quality Management (WVQMS) certification.

With initial funding from the HRDC through the AustHort program in November 1999, industry representatives participated in a *Freshcare Development Committee*, and it was agreed that the best mechanism for creating an industry-owned and managed program was to form a company limited by guarantee. This company would work to achieve industry objectives, on a non-profit basis. As a result, Freshcare Limited was incorporated in May 2000.

Short term funding was obtained from HRDC/AustHort to support the establishment of a permanent self-sustaining "Freshcare" structure.

The Freshcare program was formally launched in July 2000, the day to day management of the program provided by Aus-Qual Pty Ltd, as a service provider. Its marketing initially focused on building awareness of the program along the supply chain. By December 2000, 463 growers had registered with the Freshcare program, an average of 77 growers joining per month. This was consistent with the targets set for the program.

Growth slowed from January to June 2001, with only 178 growers registered during this period, a monthly average of only 30. By 31 October 2001, there were 810 growers registered with Freshcare. In the 4 months to the end of October 2001 the joining rate remained below target.

To evaluate the reasons for the slowing uptake consultants *RETAILworks* were engaged by Horticulture Australia Ltd to review the Freshcare program (July - August 2001). They identified a number of issues, which needed to be addressed in the program.

During the early months of 2002, the Freshcare Board reviewed the existing management structures and responsibilities. Resultantly, the Freshcare Office was established in April

2002 and in July 2002 the new office assumed all responsibility for the administration and promotion of the program.

In May 2002, a new Business Plan for 2002-2003 was commissioned as the basis for gaining continued HAL funding to ensure the development and progress of the program.

The Freshcare Office has now been in operation for 16 months. It is staffed by a National Program Manager and a Project Officer, both work part time, together ensuring there is a contact for Freshcare enquiries at all times.

The Freshcare office is supported by a 15 endorsed Freshcare Trainers (Appendix 1.0), providing Freshcare training to growers in all States and Territories. The trainers provide 'on the ground' contact for growers, thus further helping to spread the Freshcare message. The trainers are also responsible for encouraging and guiding their trainees from initial enrollment to certification, thus avoiding the likelihood of the program 'stalling'.

Aus-Qual Pty Ltd remain the exclusive audit providers to the Freshcare Program (contracted to provide a fixed cost service until June 2004). A team of experienced auditors guide Freshcare members through their Initial Assessment (year 1 on-farm assessment) and subsequent annual audits.

The 18 Freshcare owner groups (Appendix 2.0), comprising peak industry bodies and horticultural industry associations, continue to actively support the program, whilst providing a clear communication channel between Freshcare and the key horticultural industry sectors.

Materials and Method

The Freshcare Program was developed and the implementation strategy set, in wide consultation with industry.

The HACCP based Code of Practice was developed to provide a generic guideline to food safety risks within horticulture. Historically growers implementing HACCP or HACCP based systems were having to 'start from scratch', a costly and time consuming process when for most horticultural producers the risk factors are very similar.

The need to include training as a core component of the Freshcare program was recognized from the outset, without true understanding and ownership of their food safety system, the success in maintaining the system had been proven to be limited. The trainers provide guidance to growers from enrollment to the initial on-farm assessment.

The audit component of the Freshcare program provides independent verification of activities undertaken and the standard of food safety compliance maintained.

The establishment of the Freshcare Office has provided for a dedicated contact point for members, allowing Freshcare to better service its members needs and provide an ongoing source of information and support.

Project Results

On completion of the HAL funded project AH00017 “Implementation of the Freshcare On Farm Food Safety Program” the program has achieved all its milestones and has established a strong position from which to move forward as a key service provider to the Australian Horticultural Industry.

Target Participation Levels

The current (1st July 2003) Freshcare membership of 1,766 grower members is spread across all States and Territories, of these over 600 have achieved full certification, whilst another 255 are nearing completion of the certification process (have had an initial assessment, but have outstanding issues such as an MRL test to complete prior to certification).

Table 1 following provides a breakdown of member categories at the 1st July 2003.

Table 1 – Freshcare Membership Status

Membership Status	Definition	Total
Foundation Member	Member who has joined without training / participated in training prior to joining	592
Training Initial	Member who has joined through training package	236
Training Existing	Existing member now participating in training	31
Initial Pending	Has completed initial assessment, outstanding issues to be addressed.	255
Initial Assessment	Has completed initial assessment – certified	454
Re-certification Pending	Has completed annual audit, outstanding issues to be addressed.	16
Certification Audit	Has completed annual audit – certified	165
Suspended	Financial member who does not wish to have annual audit for reason such as crop loss.	17
Withdrawn	Non-financial member who has withdrawn	71
Total Membership (01/07/03)		1766

The number of ‘active’ Freshcare members (all categories except foundation members) has continued to increase and now accounts for over 66% of the membership, in contrast, only 30% of members were classified active in July 2002.

Overall membership numbers are below forecast, a target of 2160 to 1st July 2003 was set in the Freshcare Business Plan (June 2002). This equates to a target increase of 80 members per month, the actual level achieved for the 2002/2003 financial year averaged 47 new members per month.

The level of grower uptake of the program continues to be influenced by a number of factors, the majority beyond Freshcare's control, these include:

- Lack of clear direction from customers
- Lack of market recognition for those who have made an effort to implement a system
- Drought impact in some regions

Trainers in all regions have reported difficulty in filling training courses in 2003, when compared to the same period in 2002. It appears that the 'early adopters' have already implemented an on-farm food safety program and the majority of others are currently 'sitting on the fence' awaiting clearer market signals.

Changes to Farmbi\$ funding has also impacted uptake in some regions, in NSW and SA no funding support is available for QA implementation, varying levels of subsidy still remains in other States.

Despite the slowdown in overall demand, the 'Freshcare packages' continue to be actively delivered by trainers in NSW, QLD, VIC, NT and WA.

Where as in the past, the majority of Freshcare members were Queensland growers, new members are much more evenly spread, as illustrated in Table 2.

This trend is likely to continue, as Freshcare is increasingly recognised as a National rather than Queensland based program.

Table 2.0 – Regional Spread of Freshcare Members

State	30 June 02			30 June 03		
	Active members	Foundation members	Total (% of total membership)	Active members	Foundation members	Total (% of total membership)
QLD	299	569	868 (70%)	625	413	1038 (59%)
NSW	78	171	249 (20%)	318	99	417 (24%)
VIC	3	50	53 (4%)	74	35	109 (6%)
WA	2	23	25 (2%)	62	18	80 (5%)
NT	9	27	36 (3%)	81	15	96 (5%)
TAS	0	2	2 (-)	11	1	12 (0.5%)
SA	2	12	14 (1%)	2	12	14 (0.5%)
Total	393	854	1247	1173	593	1766

Program Promotion

The Freshcare office continues to actively promote the program to the Fresh produce industry, both directly and via the network of trainers and owner organizations.

Freshcare newsletters are distributed to members on the 1st January, 1st April, 1st July and 1st October. As a quarterly publication, the Freshcare newsletter provides members with up to date information on the program and food safety issues across the wider industry.

Sponsorship of the newsletter has assisted with the cost of distribution. In return for their contribution the 'newsletter partners' are able to include some of their own material with the newsletter, thus reaching a readership of over 2000 growers and associated organizations.

Future newsletter sponsors will be sought, who offer products or services that may be of benefit to members eg Insurance providers (offering reduced premiums for on-farm food safety systems)

Industry publications and conferences are actively used to promote the Freshcare Program,

During the final reporting period of the project:

Articles were written for following industry publications:

- Australian Chamber Yearbook 2003/04
- QFVG News
- Fresh Source – the monthly magazine of the Brisbane Markets
- Ausveg industry update
- Citrus Insight
- Potato Australia

Program information was distributed at the following industry forums / conferences:

- Banana Industry Conference (June 2003)
- Mango 2003 (May 2003)
- Low Chill Stone Fruit Conference (May 2003)
- Primex Agricultural Show Days (June 2003)

Presentations were prepared for/made at the following industry forums / conferences:

- Horticulture 2003, Sydney (May 2003)
- NSW Farmers Horticultural Conference (June 2003)
- Custard Apple Conference, Ballina (July 2003)

Freshcare Gate Signs have been produced and will be distributed to all certified members in August. Aus-Qual, the program auditors, have sponsored the gate signs, allowing us to provide them to the first 1000 certified members at no cost, additional signs will be available at a cost of \$10.50 incl GST and postage.

The gate signs will provide a very visual promotional tool for Freshcare, from the end of August there will be over 600 farm gates displaying the Freshcare Logo and hopefully prompting further interest in the program.

Stakeholder groups

Freshcare Owners

Regular program updates have been provided to the Freshcare owner groups, throughout the life of the project.

Information such as newsletters are provided to owner organizations for wider distribution to their membership.

The owner groups have recently been asked to provide written endorsement of the Freshcare Program, information to be shown to Woolworths and other key customer groups, to demonstrate the truly National and cross sector support for the program.

Freshcare Trainers

Fifteen trainers are currently registered to deliver Freshcare training. Of these eight can be considered as actively promoting the program and delivering training on a regular basis. The other seven trainers deliver training less frequently, but are still strong supporters of the program.

A regular status report of all trainees is provided to each trainer, the Freshcare office also forwards grower contacts for follow-up.

Freshcare Auditors

Ausqual have established a team of 18 appropriately qualified food safety auditors across Australia. Initial assessments and subsequent annual audits are being conducted in a timely manner and no delays in service provision have been reported in recent months.

A meeting with AusQual took place during the final reporting period of the project. A full assessment of activities against set performance criteria was completed and no major issues were found.

With the Freshcare auditing arrangements to be 'opened up' next year, we continue to review capability of audit companies whilst also raising their awareness of the program.

Wholesalers

The level of grower referrals via the wholesale market is currently very low. As mentioned earlier, without clear market signals there is little incentive for wholesalers to pressure their growers for compliance.

Retailers

As mentioned previously, there is increasing focus within the retail sector on ensuring food safety compliance at farm level. However as yet that signal has not been communicated to the market.

Coles supermarkets continue to stress their position, namely:

“Coles requires all suppliers (both direct and indirect) to have a HACCP based system, which includes appropriate training in implementing the system and an independent audit certification of the system”.

However Coles limited resources in enforcing the requirements are limiting the rate of uptake by suppliers.

Woolworths have indicated that they will increasingly focus on food safety assurance at the farm level. It is hoped Woolworths will nominate Freshcare as an appropriate on-farm system for growers supplying WVQMS suppliers. Discussions in this regard continue

Processors/Packing Sheds/Coops

The focus on promoting Freshcare to the larger sheds/organizations continues.

Several larger producer groups are currently assessing the program (attending training courses, audits etc) with the intention that they will use Freshcare as their approved supplier program.

Growers

Direct contact with grower groups/organizations and individual growers continues.

The trainers are providing that contact point at a Regional level, whilst the Freshcare Office targets new business.

Freshcare’s Future Focus

Unlike a ‘stand alone’ QA system, Freshcare provides an ongoing support mechanism for its members, provides a representative voice for members on food safety issues and continues to evolve and develop to better meet member and market requirements.

Program developments currently underway include:

- Development of an additional Freshcare module (optional) to cover environmental management issues on farm;
- Development of an additional Freshcare module (optional) to address on-farm safety (OH&S) and welfare issues;
Both modules will be ‘optional additions’ to the core Freshcare food safety program, but, will be designed to be audited within a single Freshcare audit.
- With environmental and OH&S modules in place, Freshcare will seek equivalence to the Eurep-GAP Standard (required by some export customers, primarily to UK and Europe). When achieved, this will enable members certified to the extended Freshcare Program to automatically be Eurep-GAP certified. In the interim, the current Freshcare program provides an ideal first step to Eurep-GAP compliance, covering over 50% of Eurep-GAP’s requirements; and
- ICA – Freshcare is liaising with State and Federal Departments of Agriculture in the hope of being able to better combine Freshcare and Interstate Certification Audits.

Discussion and Recommendations

The HAL funded project AH00017 “Implementation of the Freshcare On Farm Food Safety Program” has established Freshcare as a key service provider to the Australian Horticultural Industry. The funding has enabled Freshcare to establish a strong position from which to move forward.

Freshcare will now operate as a stand alone, ‘not for profit’ company, encouraging new participants and providing services to existing members.

Freshcare will continue to actively promote the program to maintain levels of industry awareness across all industry sectors and geographical areas.

As detailed previously, it is proposed that the scope of the Freshcare Program be extended to encompass optional farm safety and environmental management elements. Thus, allowing members to operate a single on-farm assurance system with a single audit requirement.

Unlike a ‘stand alone’ QA system, Freshcare will also continue to provide an ongoing support mechanism for its members, providing a representative voice for members on food safety issues and continuing to evolve and develop to better meet member and market requirements.

However, throughout the life of the project, it has been recognised that the level of uptake of the Freshcare Program, whilst influenced by promotional activity, has ultimately been determined by market pressure for food safety assurance / compliance. This market pressure is still very variable and until a clear signal is provided by the wholesale/retail sector, many potential Freshcare members will continue to ‘sit on the fence’.

Ultimately, the future of the Freshcare Program is in the hands of both current and potential future members and their needs for market compliance.

Appendix 1.0 – Freshcare Trainers

Training Organisation	Training Area	Trainers
GM Rural Training	NSW, Southern QLD and NT	Wally Collins Tel:0428 743 331 email: qmgs@midcoast.com.au Graham Matthews Tel:0417 470 488 email: graham@gmtraining.com.au Course Coordinator - Gae Channells Tel: 1800 444 228
NSW Agriculture	NSW	Joe Ekman Tel: 02 4348 1922 email: joseph.ekman@agric.nsw.gov.au
North Coast Institute of TAFE	North Coast NSW	Paul Moosberger Tel: 02 6620 4285 email: paul.moosberger@tafensw.edu.au
Queensland Quality Consulting	Queensland – all areas	Ron Tyas Tel: 07 3886 6200 email: rtyas@aol.com
AgrowPlan Consultancy	Queensland - Rockhampton	Jeff Harvie Tel: 07 4934 2922 email: jharvie@agrowplan.com
PIRSA Rural Solutions	South Australia	Jim Hill Tel: 08 8595 9130 email: Hill.Jim@saugov.sa.gov.au
GM Rural Training	Victoria	Terry Rudge Tel: 03 9379 6766 email: trudge@rudgeproduce.com.au

Appendix 1.0 – Freshcare Trainers (cont)

Training Organisation	Training Area	Trainers
Goulburn Ovens Tafe	Victoria	Richard Bennett Tel: 03 5825 3753 email: Richard.Bennett@horticulture.com.au Course Coordinators: Ross Wade Tel: 03 5833 2816
Halloran Holdings	Victoria	Dan Halloran Tel: 03 5822 1159 email: danh@mcmmedia.com.au
Hort-Ag Consultancies	WA	Helena Whitman Tel: 08 9358 6742 email: helenaw@iinet.net.au
Tasmania Quality Assured	Tasmania	Jane Lovell Tel: 03 6331 8223 email: lovejane@tassie.net.au
Smith & Georg Pty Ltd	South Australia	David Georg Tel: 08 8389 1856 email: dgeorg@ozemail.com.au
Northern Territory University	Northern Territory	Donna Rayner Tel: 08 8946 6358 email: donna.rayner@ntu.edu.au

Appendix 2.0 – Freshcare Owner Groups

Freshcare is the Fresh Produce industry's own Food Safety Program.

Freshcare is owned and supported by the following 18 industry organizations:

- Apple & Pear Australia Limited
- Australian Avocado Growers Federation
- Australian Banana Growers Council
- Australian Chamber of Fruit & Vegetable Industries Ltd
- Australian Custard Apple Growers Association Inc.
- Australian Fresh Stone Fruit Growers Association
- Australian Lychee Growers Association Inc
- Australian Mango Industry Association Ltd
- Australian Melon Association
- Australian Mushroom Growers Association
- Australian Passionfruit Industry Assoc Inc
- Australian Potato Industry Council Inc.
- Australian United Fresh Fruit & Vegetable Association Ltd (AUF)
- Australian Vegetable & Potato Growers Federation Inc (Ausveg)
- Horticulture Group, Victorian Farmers Federation
- NSW Farmers' Association
- Queensland Fruit & Vegetable Growers (QFVG)
- South Australia Farmers Federation