

Submission to the Joint Standing Committee on Trade and Investment Growth

Inquiry into Creating Sustainable Economic Growth in Rural and Regional Australia

Submitted by: Regenerative Food and Farming Alliance (RFFA)

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Dear Senator Marielle-Smith,

The Regenerative Food and Farming Alliance (RFFA) is a national alliance of organisations working across Australia's food and farming landscape. We advocate for policy that supports the transition to regenerative food and farming systems that deliver profitable farm businesses, high quality food production, while delivering ecological benefits that regenerate our landscapes and environment.

Our founding members include Soils for Life, Holistic Management Australia, Sustainable Table, Food Connect Foundation, and Open Food Network Australia, with a further 18 supporting organisations across the food and agriculture sector. Together, this membership represents over 8,000 members spread out across Australia, the majority of whom are from small and medium sized enterprises (SMEs).

We welcome the inquiry into how small and medium size businesses, especially in rural and regional Australia, can benefit from trade, in particular in the context of Australia's 'clean and green' agriculture, food and drink sectors. In your call for submissions, you asked about:

1. The barriers that exist for rural and regional Australians, and how SMEs can be better supported for growth; and
2. How Australian products can better access the global market, in order to create more local jobs.

Supporting a National Regenerative Transition Program that will enable farmers across Australia to switch to regenerative farming systems will be critical to ensuring that Australia's 'clean and green' reputation can be preserved. Fundamentally, marketing and production can not be separated in regards to Australia's agricultural context. This reputation is ultimately not determined by marketing campaigns, but by the way our food is produced. Maintaining access to premium and domestic export markets therefore requires investment in farming systems, infrastructure and regional economies that underpin environmental performance.

1. Pesticide reduction: Aligning 'clean and green' agriculture marketing with practice

To maintain access to international markets and ensure Australia's 'clean and green' agricultural reputation is backed by production practice, a widespread phased transition to regenerative agriculture should be supported. Conventional farming systems remain heavily dependent on synthetic fertilisers and pesticides, creating both market and environmental risks. By contrast, regenerative farming reduces, and in many cases eliminates, reliance on these external inputs by investing in ecological health and nature-based processes. This enables farmers to maintain productive and resilient farming systems whilst delivering significant benefits for soil, water, biodiversity and broader ecosystem health.

Reducing pesticide use has well-documented long-term benefits for farmer health and land health, but it also means that Australian regenerative farmers are insulated from potential trade risks. A Griffith University study published in *Environmental Science & Technology* found that 60% of Australia's high-use pesticides are banned in the European Union, with a further 24% approved in the EU but banned in at least one other country.¹ Most recently, Australia declined to take regulatory action removing the use of paraquat and diquat, which is banned in both the UK and the EU.² These facts put Australia's reputation for 'clean and green' agricultural production at serious risk.

The EU is actively exploring mirror clause legislation that would prohibit the import of food products grown with pesticides banned within the EU. This is being supported by **all** of the European farmer organisations, who argue that they are otherwise subject to unfair competition from external markets. Should such measures be enacted, conventional Australian producers would face market access barriers with little time or knowledge to transition effectively away from pesticide reliance. A transition to regenerative systems takes time, and it is therefore imperative that it is supported at the earliest opportunity to ensure long term trade and market access.

2. Ensuring the financial viability of our SME farmers

Australia's export competitiveness ultimately depends on profitable farmers. Production systems that largely rely on imported fertilisers, pesticides and fuel expose businesses to international supply shocks and volatile input prices.

Following the outbreak of the Iran war earlier this year, a snap survey by AUSVEG has indicated that many growers have already cut back, or have stopped planting and harvesting as a consequence of fuel and fertiliser shortages.³ This follows AUSVEG's 2025 report showing that 40% of Australian vegetable growers were considering leaving the industry within the next 12 months, with a further 40% willing to leave if offered a viable exit strategy.⁴ The potential loss of four in five growers, supplying 98% of Australia's fresh vegetables, would have serious consequences for Australia's food security and export potential.

As stated above, regenerative systems build business resilience and therefore long-term export capability by reducing or eliminating the dependence on external inputs. These costs represent 55 - 75% of a farm's variable expenses,⁵ and our membership shows that regenerative farmers over time are significantly more profitable, especially during years of extreme weather or disruption, while continuing to produce high quality products.

3. Investing in the 'missing middle' of Australia's food system

One of our key policy priorities is the establishment of an Enhancing Local Food Security Fund to invest in regional food infrastructure. Australia's food system increasingly suffers from the 'missing middle': the lack of appropriately scaled processing, storage and distribution

¹ Bengtson Nash, S. M., & Burns, G. L. (2026). Australia's blind eye: Exploring the nation's permissive stance on harmful pesticides. *Environmental Science & Technology*. <https://doi.org/10.1021/acs.est.5c15716>

² <https://www.theguardian.com/science/2026/jun/23/paraquat-herbicide-ban-continued-use-australia>

³ Risk of vegetable price rise in response to spiralling fuel and fertiliser costs. *ABC News*. <https://www.abc.net.au/news/2026-03-26/aus-vegetable-growers-stop-planting-middle-east-conflict/106497508>

⁴ AUSVEG Vegetable Industry Sentiment Report 2025
https://ausveg.com.au/app/uploads/2025/09/AUSVEG-Industry-Sentiment-Report_2025-2.pdf

⁵ P2PAgri, *Managing Farm Input Costs When Everything Keeps Rising: A Practical Guide*
<https://p2pagri.com.au/resources/managing-farm-input-costs-practical-guide>

infrastructure for small and medium-sized (SME) producers. As a result, many farmers are unable to access supply chains unless they operate at the scale required by large industrial processors.

The RFFA is advocating for investment in a network of regional food hubs across Australia to provide local processing, aggregation, storage and logistics infrastructure. These hubs would enable SME producers to access viable markets, strengthen regional food systems, improve food security, and ultimately provide for more fulfilling jobs within regional communities.

A landmark study by Nous Group found that SME livestock producers (defined as producers with fewer than 1,000 head of cattle) are increasingly losing access to local abattoirs and processing facilities, with 64% of respondents reporting that the processing options available to them did not meet their needs.⁶ Ongoing corporate consolidation has reduced processing capacity for smaller producers, forcing many to transport livestock over long distances and limiting their ability to participate in local and regional supply chains. We support the policy recommendations set out in the Nous report.

The most concrete Australian demonstration of what regional food hub infrastructure can achieve is Food Connect Shed in Brisbane, established with \$2 million raised from more than 500 community investors. Since taking community ownership in 2018, Food Connect Shed has supported hundreds of farmers and small businesses with access to cold storage, commercial kitchens, processing facilities and distribution networks that would otherwise be cost-prohibitive. It reached profitability within two years and delivers an estimated social return of \$3.20–\$4.80 for every dollar invested.

4. Building the regenerative economy

Part of your inquiry is asking about how regional Australians can better access the international market. Once Australia has invested in regenerative production and regional infrastructure, it is well positioned to become a global supplier of regenerative knowledge, technology and food products. Australia is already home to innovative regenerative practices and products that are world leading such as Keyline, Natural Sequence Farming and world leading landscape hydration and cropping management. As global consumers increasingly seek out healthier food that is produced with ecological integrity, a coherent national approach to regenerative agriculture positions Australia to be a significant player in the regenerative economy ecosystem.

5. Enhanced branding, labelling and certification of products and services

We support measures that strengthen consumer confidence in Australian food and agriculture. However, we do not believe that creating another certification or labelling scheme is the most effective way to achieve this objective.

Regenerative agriculture is highly diverse and context-dependent. Different regions, climates, soils and farming enterprises require different management approaches, making it difficult to develop a single certification framework that accurately reflects regenerative outcomes across Australia. While this diversity is one of regenerative agriculture's greatest strengths, it also means that practice-based certification schemes can become overly prescriptive, contentious and disconnected from ecological reality.

⁶ Nous Group https://nousgroup.com/assets/docs/fragility-to-resilience_full-report_Nous_Group.pdf

This challenge is compounded by an already crowded marketplace of environmental and sustainability labels. Consumers face increasing confusion, while many producers have limited confidence in certification schemes that often impose additional costs and administrative burdens without necessarily rewarding genuine environmental outcomes.

Rather than introducing another label, Australia should strengthen its existing 'clean and green' reputation through outcomes-based agricultural policy. By supporting the widespread adoption of regenerative farming systems, improving supply chain transparency, and rewarding measurable improvements in soil health, biodiversity, water quality and reduced reliance on synthetic inputs, Australia can build consumer trust through demonstrated performance rather than additional certification.

This approach gives farmers the flexibility to make decisions that are appropriate for their landscapes while providing consumers with greater confidence that Australian food is being produced under policies that deliver the best environmental and agricultural outcomes.

Australia's competitive advantage should rest on the credibility of its agricultural system as a whole, rather than on an additional product-level certification scheme. The role of government is to create the conditions for trustworthy production.

6. Food, farming and tourism

Regional food tourism is strongest where visitors can experience authentic agricultural landscapes, meet producers and purchase locally processed food. Investment in regenerative agriculture and regional food hubs therefore supports tourism alongside agricultural exports, creating diversified regional economies.

A 2024 University of Western Australia study published in the Journal of Rural Studies found that the key factors driving agritourism experiences are location, authenticity, interaction and learning, with tourists who can participate in farming lifestyles deriving the greatest value.⁷ Regenerative farms, with their actively managed landscapes, diverse practices and visible outcomes, are particularly well positioned to offer exactly these qualities.

These experiences depend on functioning local food economies, which involve producers who can supply restaurants and hospitality businesses, regional hubs that can aggregate and process local produce, and distribution networks that keep value circulating within communities rather than flowing out. Tourism investment in rural and regional Australia should be explicitly linked to food infrastructure investment, with regional food hubs recognised as the connective tissue between farm production and visitor experience.

We thank you for the opportunity to provide this submission, and we welcome any opportunity to discuss our positions or ideas with you further. Please do not hesitate to contact me on 0402722478 or georgina@rffa.org.au should you require further information.

⁷ Kirsten Martinus, Bryan Boruff, Adriana Nunez Picado, Authenticity, interaction, learning and location as curators of experiential agritourism, Journal of Rural Studies 2024 <https://www.sciencedirect.com/science/article/pii/S0743016724000986>

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