

CONNECTING
HEPBURN SHIRE'S
CIRCULAR ECONOMY

Circular Economy Stage 1 Project Report and Recommendations - Section 3

20 February 2023



Djaara Acknowledgement

This project took place on Djaara Country and the authors acknowledge the Dja Dja Wurrung People as the traditional owners and custodians of this land. We acknowledge and respect the ancient wisdom and stewardship of Djaara of the lands and waters for millenia. We acknowledge this Country was never ceded and pay respect to the Djaara Elders, past, present and future.

Hepburn Shire Council is on Dja Dja Wurrung Country.

Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters on which we live and work. On these lands, Djaara have performed age-old ceremonies of celebration, initiation and renewal. We recognise their resilience through dispossession and it is a testament to their continuing culture and tradition, which is strong and thriving. We also acknowledge the neighbouring Traditional Owners, the Wurundjeri to our South East and the Wadawurrung to our South West and pay our respect to all Aboriginal peoples, their culture, and lore. We acknowledge their living culture and the unique role they play in the life of this region.

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Local Circular Economy Case Studies

Sectors.

Artisan, Organic Agriculture and
Agroecological farms.
Hospitality and Tourism.



Local Circular Economy Case Studies

An investigation into three local businesses that demonstrate high levels of Circular Economy activity as an inspiration to our community of the value & possibilities for the wider adoption of Circular Economy practice and collaboration. In each case study the business owners were interviewed and collaborative ecosystem mapping identified, resources and supply chains, circular economy practice and opportunities for Circular Nodes. Elements of the Social Economy, as enablers, appeared in all of the businesses interviewed and the value Social Economy and Social Enterprise should be investigated further. These elements were noted as 'Guiding principles' in the following case studies.

A key objective of this research was to identify Circular nodes. Circular nodes are intersections in supply chain and business activity that present collaborative opportunities with other businesses and their supply chains / or supply chain partners. Identifying and activating Circular Nodes is an important step in activating a circular Economy and it can be done in an organic and iterative way.

- **Honest Eggs, Leitches Creek Rd, Daylesford**
- **Captains Creek Organic Farm, Winery, Cellar Door and Restaurant, Kangaroo Hills Rd, Blampied**
- **Hepburn Distillery and Bar, Gin Lane, Daylesford**

Honest Eggs Co



Photo Source 1: <https://honesteggscos.com.au/pages/about-us>

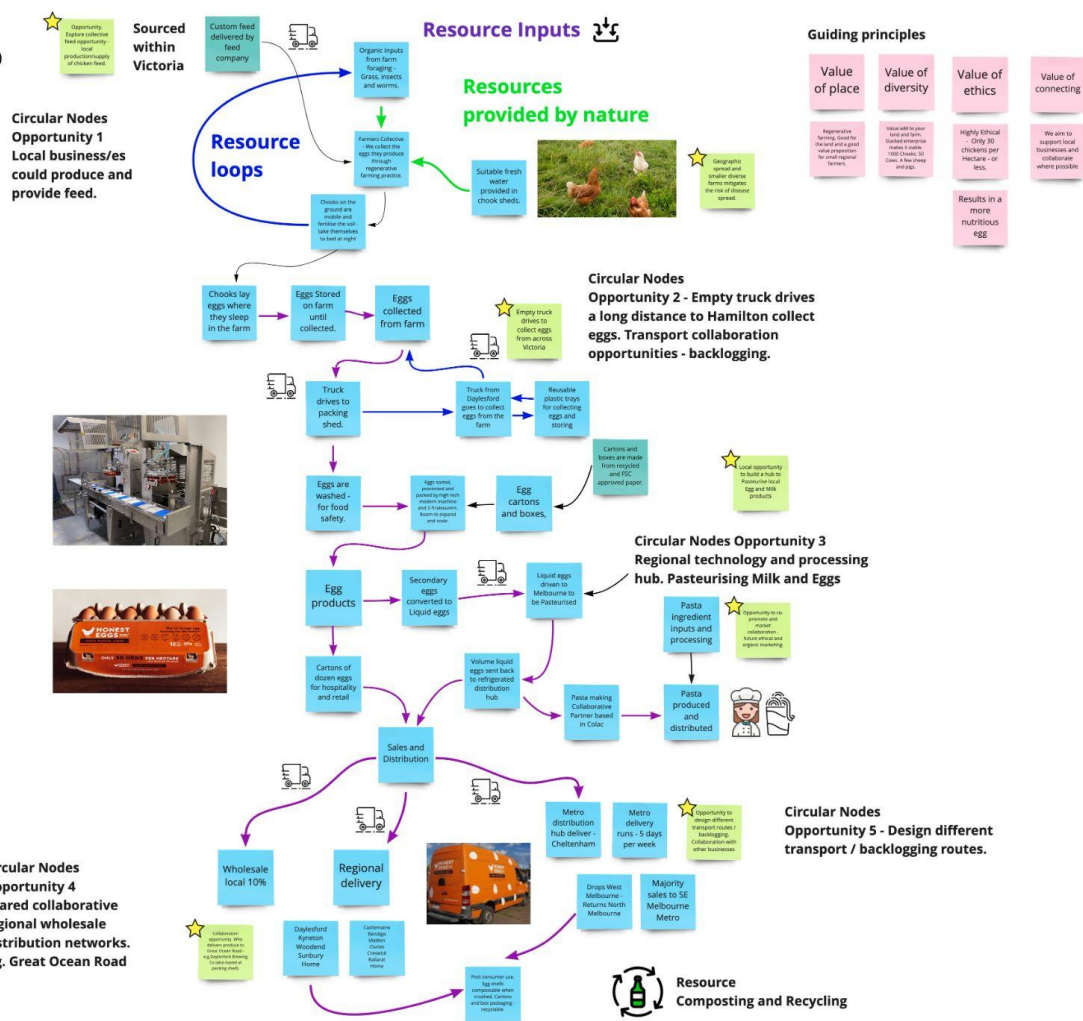
Honest Eggs case study

Honest Eggs Co. was started by the Righetti and Garsed families who live in Yandoit near Daylesford. At the heart of their values are family and community. They want to use Honest Eggs Co. business to improve farming yields for farming families, and income for local communities. ¹.

Honest Eggs Key Circular qualities identified include:

- Highly innovative and entrepreneurial business.
- Permaculture based regenerative farming, the chickens fertilise the paddocks they feed from.
- Secondary eggs are turned into liquid egg, a partner makes pasta.
- Cartons and boxes are made from recycled and FSC approved paper.
- Investment in processing technology has been made to increase quality & economies of scale.
- Genuine collaboration with local farmers and local businesses.
- Highly Ethical. Only 30 chickens per Hectare - or less. Results in a more nutritious egg.

Honest Eggs Circular Ecosystem Map



[Click here](#) to see the online version of this ecosystem map.

This can be zoomed in at your preferred level.

Honest Eggs case study

Circular Nodes identified

Circular Nodes Opportunity 1

Local business/es could grow, produce and provide feed.

Circular Nodes Opportunity 2

Empty truck drives a long distance to Hamilton collect eggs. Supply chain collaboration opportunities - backlogging.

Circular Nodes Opportunity 3

Regional technology and processing hub. Pasteurising Milk and Eggs.

Circular Nodes Opportunity 5

Design different transport / backlogging routes.

Circular Nodes Opportunity 4

Shared collaborative regional wholesale distribution networks.
E.g. Great Ocean Road.

Guiding principles

Value of place
Value of diversity
Value of ethics
Value of connecting

Honest Eggs case study

Summary

The Honest Eggs crew are genuinely open to local collaboration to enable more circular business. Local businesses could grow chicken feed. Empty trucks drive long distances regionally to collect eggs, shared transport/ product distribution opportunities.

Local farm collaboration. The Honest Eggs crew are happy to collaborate with local farmers that wish to place egg producing chickens on their land. This extra income may enable local farmers to diversify their produce.

“Regenerative farming is good for the land and a good value proposition for small regional farmers. Value add to your land and farm. Stacked enterprise makes it viable. 1000 Chooks. 50 Cows. A few sheep and pigs.”

Technology hubs and shared infrastructure. Honest Eggs currently have to travel to the other side of Melbourne to pasteurize their bulk liquid eggs (for making pasta etc). They would like to see a Regional pasteurizing hub that could process local Eggs and Dairy products.

Collaborative supply chains and distribution networks. *“Empty trucks drive long distances regionally to collect eggs, so there are shared transport opportunities. Yes we’d be interested in collaborative distribution networks.”*

Captains Creek Organic farm, Winery

Cellar door and Restaurant.



Captains Creek - Case study

Four generations of the May family have run the 80 hectare farm for more than 100 years. Much missed family member Rod May encouraged the family to become organic over 40 years ago after seeing the benefits first hand in California. The May family have good established relationships and knowledge exchange with many local producers that allows for a greater level of experimentation and trialling of produce for the future changing climate.

Captains Creek Key Circular Activities.

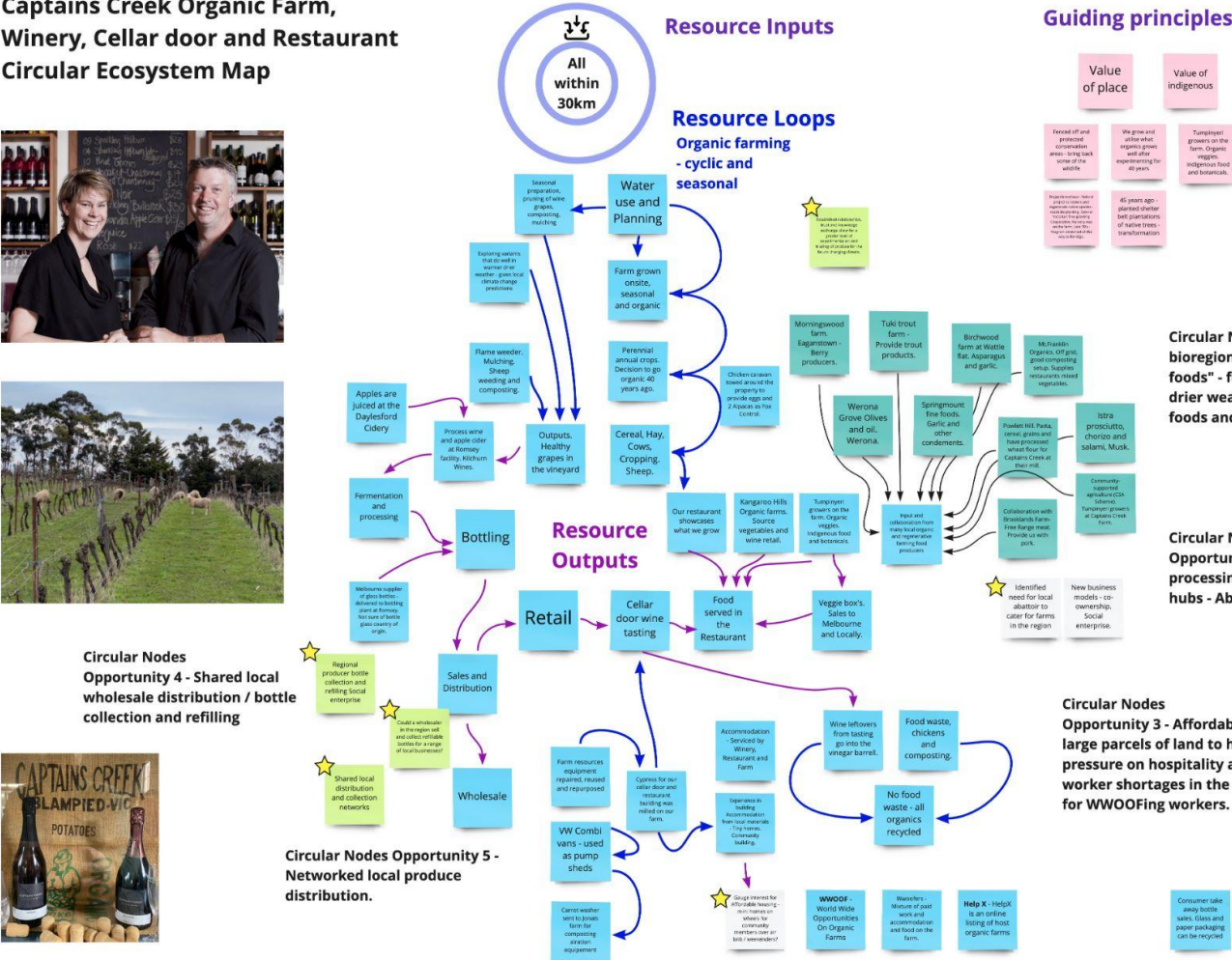
The organic farm produces grapes and produce for the winery and restaurant.

We grow and utilise what organics grows well after experimenting for 40 years. Certified organic in the early 80's. 'Everything is recycled, nature takes its course'. A wide variety of crop types and local produce allows for experimentation for what works well in the bioregion - caters for diverse tastes - increases adaptation and resilience.

Actively regenerating native species on the boundaries. Fenced off and protected conservation areas - bring back some of the wildlife. Project branchout - Federal project to restore and regenerate native species - roadside planting. Central Victorian Tree planting Cooperative. Nursery was on the farm. The program started in the 70's stretched all the way to Bendigo. 45 years ago they planted shelter belt plantations of native trees which has been a huge positive transformation for the farm with many ecosystem benefits.

The May family share knowledge and actively collaborate with other local producers. Resource ecosystems create sustaining value through exchange. Collaborative communities exchange knowledge and resources. Local business supports local community.

Captains Creek Organic Farm,
Winery, Cellar door and Restaurant
Circular Ecosystem Map



[Click here](#) to see the online version of this ecosystem map.

This can be zoomed in at your preferred level.

Captains Creek Case Study

Circular Nodes identified

Guiding principles

- Value of place
- Value of farming Organic
- Value of connecting
- Value of sharing
- Value of diversity

Circular Nodes Opportunity 1

Trial bioregional "Adaptation and Resilience foods" - for climate change - future warmer drier weather in the region.

Circular Nodes Opportunity 2

Networked local produce distribution.

Circular Nodes Opportunity 3

Regional processing and technology hubs - Abattoir.

Circular Nodes Opportunity 5

Affordable housing placed on large parcels of land to help ease rental price pressure on hospitality and other skilled worker shortages in the region.
Dual purpose for WWOOFing workers.

Circular Nodes Opportunity 4

Shared local wholesale distribution / bottle collection and refilling.

Captains Creek organic farm and winery - Case study

Summary.

There is support for a local abattoir, many locals have to travel for many miles to have their livestock processed. A shared regional Abattoir in the Shire could service many small diverse regenerative and free range farms.

Shared technology and processing hubs are seen as a great idea to give the small regional farmers a boost - and save a lot of time and money (and diesel - travel miles). Look at new business models, community co-ownership and Social Enterprise.

The May family share knowledge and actively collaborate with other local producers. *"We are already seeing more extreme weather more often on the farm. Let's collectively diversify and be open to trailing foods that can adapt to climate change."*

The Captain's Creek crew would like to see a social enterprise emerge in the shire that could help them with bottle collection, washing and refilling. This could be integrated into a shared wholesale distribution network.

A shared wholesale distribution network for local produce is a shared macro insight that has emerged from all three case studies.

Hepburn Distillery Case study



Hepburn Distillery - Case study

Hepburn Distillery began as an experiment by local creative genius Basil Eliades supported by partner Jane Knight, an expert in Social Innovation and Sustainability. The experiment went extremely well and evolved into the business it is today picking up a gold medal at the International Vodka awards along the way.

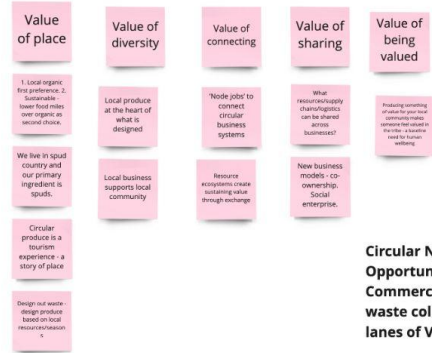
The Hepburn Distillery crew sincerely 'Value Place', and wanted to utilise what grows abundantly locally - eg potatoes. They source as many of the raw materials as they can with the mantra of 'Locally, Organically and Seasonally' and they both grow their own and locally source the botanicals for the Gin. "Sourced from the Hepburn Distillery website Hepburn Distillery began with the idea of LOCAL and drawing from the mineral-rich soil, and abundant rainfall of Hepburn Shire. Surrounded by forest in cold, spud country, we were inspired to make a product that grew locally, was free of chemicals and low in food miles." ¹.

The Hepburn Distillery stills run on renewable energy, their packaging and labels are made from recycled and FSC approved paper and they compost all our organic waste onsite.

For any materials or transport that cannot be sustainable they partner with Fifteen Trees and plant a tree for every litre they sell to ensure their business in climate positive.

Hepburn Distillery Circular Ecosystem Map

Guiding principles



Circular Nodes Opportunity 1 - Commercial organic waste collection (Back lanes of Vincent St)



Circular Nodes Opportunity 2 - Shared local wholesale distribution / bottle collection and refilling

Circular Nodes Opportunity 3 - Networked local produce distribution

Resource loops

Resource Inputs

Within 30km

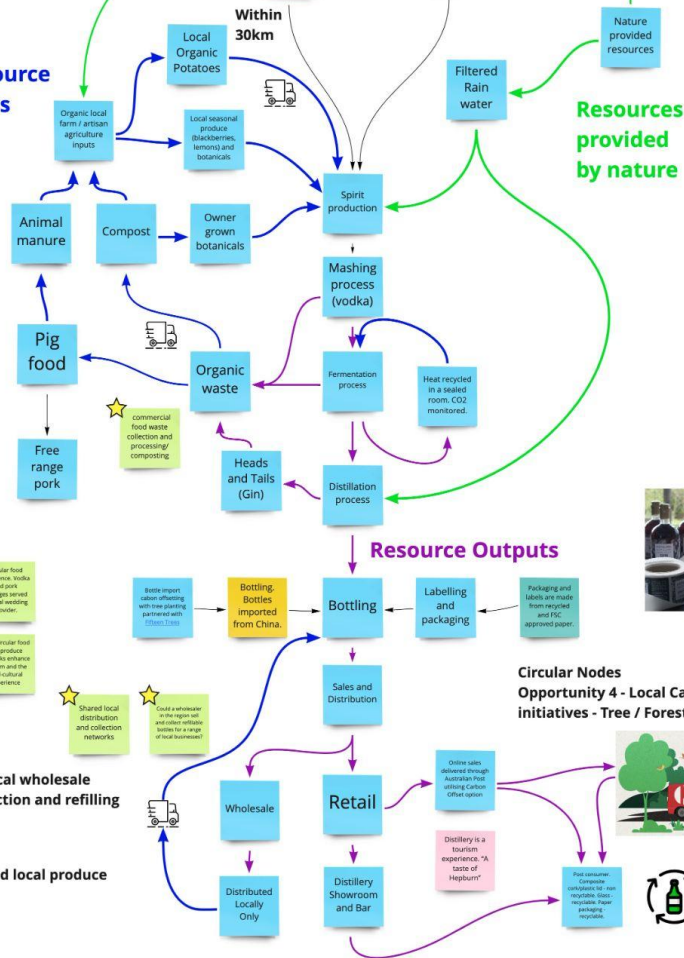
Sourced within Victoria

Sustainable sugar - Sourced from Queensland

Sourced within Australia

Nature provided resources

Resources provided by nature



[Click here](#) to see the online version of this ecosystem map.

This can be zoomed in at your preferred level.

Circular Nodes Opportunity 4 - Local Carbon Positive initiatives - Tree / Forest planting



Resource Recycling

Hepburn Distillery - Case study

Circular Nodes identified

Circular Nodes Opportunity 1

Commercial organic waste collection
(Back lanes of Vincent St)

Circular Nodes Opportunity 5

Regional supply chain ecosystem mapping -
shared costs & value creation.

Circular Node Opportunity 2

Shared local wholesale distribution / bottle
collection and refilling

Circular Nodes Opportunity 4

Local Carbon Positive initiatives -
Tree / Forest planting

Circular Nodes Opportunity 3

Networked local bioregional produce
distribution.

Guiding principles

- Value of place
- Value of connecting
- Value of sharing
- Value of diversity
- Value of being valued

Hepburn Distillery

Summary.

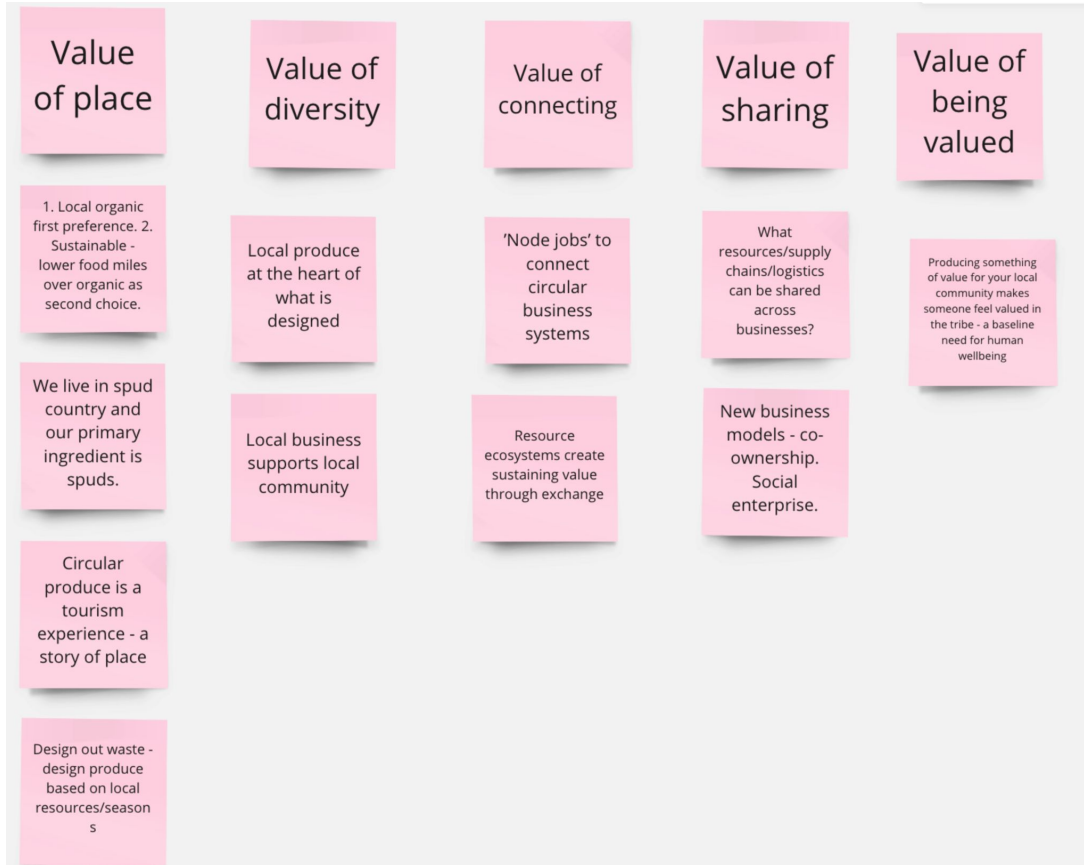
The Hepburn Distillery crew are a much bigger value to the community than just through their award winning Vodka and Gin. As the first business interviewed for the research and development of the case studies - it was really interesting to see the local Circular Values and Guiding Principles they identified for their own business, find resonance across many of the businesses interviewed. The guiding principles and supporting notes from this interview feature on the following page.

Stories of value creation in a connected circular economy. A Hepburn Distillery Organic story describes the often intangible value created through community collaboration. For example; the distillery process waste was returned to farms as pig food. Pork from the pigs were served with Hepburn Distillery vodka by a local Wedding provider. These type of processes and the stories that are told add value to the quality of life and also to creating memorable Hospitality and Tourism 'visitor experiences'.

Hepburn Distillery are keen to see a local social enterprise develop that could collect, wash and refill bottles from all local producers. They suggest exploring a return incentive scheme for tourists - e.g. a potential discount on refill, good for environment and good for local producers as more sales would emerge from returning customers. A shared wholesale distribution network for local produce is a shared macro insight that has emerged from all three case studies.

The case study research identifies the potential for a Local tree planting social enterprise for Carbon positive/farm forestry initiatives.

Guiding Principles - A closer look



Case studies - Summary and key findings

Mapping resource flows and supply chains across Hepburn shire will result in the identification of SME Clusters that would benefit from the development of Nodes, Physical Exchange Hubs, Production/processing Technologies and Services that connect and enable businesses to become circular. These Nodes will result in the opportunities for new Enterprises to emerge and new Roles and 'Connector' type Capabilities will be needed.

The interviews identified the value of 'the emergent' business opportunities that come out of connecting the circular economy. Importantly the increased value to the quality of life and wellbeing when engaging with the local community - particularly when making a contribution, either through volunteering, growing surplus of organic foods for others, or perhaps through producing a magnificent gin.

There appears a strong use case is emerging for the development of a wholesale distribution network for local interested businesses and their produce. This network could integrate reverse logistics and collect 'empties' to be refilled, or value chain items that could be picked up and transported along the identified routes. A macro finding that emerged from all 3 case studies is the idea of a local refill station - this type of business could be run as a social enterprise.

The refill station finding supports the earlier identification of the need for a Physical Exchange Hub, mentioned above.

The findings from the Survey, Interviews, the Case Study research and Development and the Q&A at the end of the webinar informed the development of the next phase of the project, the Circular Economy Business Innovation Workshop. The following slides depicts the local circular strategies and opportunities identified.

CONNECTING HEPBURN SHIRE'S CIRCULAR ECONOMY

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