

Country of origin food labelling

April 2019

If you supply food for retail sale in Australia (including manufacturers, processors and importers) you must be aware of the *Country of Origin Food Labelling Information Standard 2016* (Standard).

The Standard

The <u>Standard</u> commenced under the Australian Consumer Law (ACL) on 1 July 2016 and regulates the country of origin information that must be provided for most food offered or suitable for retail sale in Australia.

The previous requirements for country of origin labelling set out in the <u>Australia New Zealand</u> Food Standards Code remained in place until 30 June 2018. During this transition period, businesses were required to either:

- continue to comply with the labelling requirements of the Food Standards Code, or
- adopt the new labelling requirements of the Standard.

Since 1 July 2018, businesses must label their products according to the requirements of the Standard.

Businesses supplying goods that do not comply with the Standard may face penalties up to the greater of \$10 million, three times the value of the benefit received, or where the benefit cannot be calculated, 10 per cent of annual turnover in the preceding 12 months for corporations and up to \$500 000 for individuals.

What types of food does the Standard apply to?

Most food offered for retail sale in Australia (e.g. food sold to the public in stores or markets, online or from vending machines) will be required to carry a country of origin label.

This includes:

- food that is in a package, and
- certain unpackaged food (fish, particular meats, fruit and vegetables, nuts, spices, herbs, fungi, legumes, seeds or a mix of these foods).

The Standard exempts certain foods from labelling requirements. This includes food that is:

- sold by restaurants and canteens
- delivered food, packaged and ready for consumption as ordered by the consumer (e.g. home delivered pizza)
- food made and packaged on the same premises where it is sold (e.g. bread baked from scratch in a bakery).

You can find a detailed list of exempt foods on our website.

Understanding labelling requirements

The labelling requirements for a food item will vary depending on whether the food:

- is a priority or non-priority food
- was grown, produced, made or packed in Australia or another country.

You can find a list of the seven non-priority food categories on our website. All other foods such as meats, fruit and vegetables, bread and dairy products will be considered priority foods. Additional labelling responsibilities apply for priority foods.

Key claims

- 'Grown in' is generally used for fresh food (e.g. fruit and vegetables) and means that the food was in fact grown in that country. Foods with multiple ingredients are also 'grown' in a country if all significant ingredients are from that country and virtually all processing occurred there.
- 'Product of' means that all significant ingredients are from that country and virtually all processing occurred in that country. This claim is commonly used for both fresh and processed foods.

Note: A food may only carry a 'Grown in Australia' or 'Produced in Australia' three component standard mark if it contains **exclusively** Australian ingredients.

- 'Made in' means that the food underwent its last substantial transformation in a country (this doesn't necessarily mean that any ingredients are from that country). Certain processing (slicing, canning, freezing, coating or repacking food) will be insufficient to justify a 'made in' claim.
- The Standard may require, or permit, a food to be labelled with information about where it was packaged. A food that cannot claim to have been grown, produced or made in a particular country will only be able to make a 'Packed in' claim.

The labels

The Standard sets out three possible country of origin labels for food, each with its own mandatory requirements:

Three component standard mark—a graphic and text-based label which is mandatory for priority food items grown, produced or made in Australia.

Kangaroo logo

Bar chart

Explanatory text



Two component standard mark—a graphic and text-based label which is mandatory for most priority food items packed in Australia. It may also be used for imported priority foods that contain Australian ingredients.

Bar chart

Explanatory text

Packed in Australia from at least 10% Australian ingredients

Country of origin statement—a text-only label which is used for non-priority food items. Imported priority foods must also, as a minimum, carry a country of origin statement in a clearly defined box.

Non-priority food

Made in USA

Priority food

Made in USA

Looking for further help?

The ACCC has developed a <u>Food labelling guide</u> that is available on our website.

An online decision tool is available to help businesses determine if they need a country of origin label and will also generate the appropriate label. The tool is available at www.originlabeltool.business.gov.au.

More information

Our website: www.accc.gov.au/smallbusiness

ACCC Small Business Helpline: 1300 302 021

- Subscribe to one of our dedicated email alert networks at www.accc.gov.au/media/subscriptions.
- Small business online education program: www.accc.gov.au/ccaeducation.