



## Country of Origin Food Labelling - Factsheet

### The need for country of origin food labelling reform

Public concern over country of origin labelling has resulted in numerous inquiries, reports and proposals on the matter over many decades without any real change or improvement. For many years consumers have been demanding changes so that origin claims on food labels are clearer and more meaningful. Consumers are interested in not just where something was made or packaged but also how much of the food was grown in Australia.

The purpose of the Government's reforms to country of origin labelling is to enable consumers to make more informed choices about the food they buy. The Government is determined to deliver better country of origin food labelling in as cost effective way as possible. While we don't want to unnecessarily increase regulatory or production costs for businesses, we do want to ensure that most consumers get the information they need to make purchasing decisions in line with their personal preferences.

### Changes to the current framework

Australia's current framework comprises three elements:

- The Australia New Zealand Food Standards Code (the Food Standards Code)
- The Australian Consumer Law (ACL)
- The Commerce (Imports) Regulations 1940, made for the purposes of the *Commerce (Trade Descriptions) Act 1905*.

At the meeting on 31 March 2016, consumer affairs ministers agreed on reforms which will see country of origin labelling for food regulated through a new mandatory Information Standard under the Australian Consumer Law, rather than through the Food Standards Code.

The main change to current requirements is that the labels for most food that is grown, produced or made in Australia will include a logo (kangaroo in a triangle symbol) to indicate that, as well as a bar chart and text statement to show the proportion of Australian ingredients.

### When are these reforms likely to take effect?

The reforms are expected to commence from 1 July 2016. Businesses will have two years from the commencement date to change labels to the new format. Consumers will progressively see new labels in stores over this period.

### What foods will the new Information Standard for food apply to?

The new requirements only apply to food currently required to be labelled with country of origin under the Food Standards Code – that is food offered for retail sale in Australia. They do not apply to food sold in places like restaurants, cafes, take-away outlets or schools.

## Priority food and non-priority food

The new Information Standard covers all food for retail sale in Australia. However, there are additional graphics and information requirements mandated for priority foods (e.g. logo, bar chart, text in a box). These are optional for non-priority foods. Non-priority foods only require a text statement of origin on their labels.

Non-priority foods include:

- Seasonings
- Confectionery
- Biscuits and snack food
- Bottled water
- Soft drinks and sports drinks
- Tea and coffee
- Alcoholic beverages

Priority foods are all other food products.

## What will the new labels look like and what information will they include?

The proposed country of origin labels for priority food grown, produced, made in Australia will identify two key things:

- Firstly, that the food was grown, produced or made in Australia – indicated by the kangaroo logo and the first part of the standard phrase stating that the food was grown, produced or made in Australia.



- Secondly, what percentage of the ingredients in the food, by ingoing weight, are Australian – indicated by the bar chart and the second part of the standard phrase.



## What do 'Grown in', 'Produced in' and 'Made in' Australia mean?

All of these claims mean that a product meets the requirements to make a claim of Australian origin.

### Grown in or produced in

These are premium claims. They mean that all of the ingredients are Australian, and major processing occurred in Australia.

## Made in

A food can be described as having been *made* in a country if it underwent its last substantial transformation in that country. That is, it might not contain all Australian ingredients, but it underwent major processing in Australia such that it can claim Australian origin.

### What does ‘substantial transformation’ mean?

A food is said to have been substantially transformed in a country if the end product is something fundamentally different from its imported ingredients.

Guidance material will provide examples of processes that are/ are not substantial transformation. The guidance will make it clear that the claim ‘made in’ cannot be used where imported ingredients are only subject to minor processes, such as slicing, freezing, canning, bottling, crumbing, reconstituting or packing.

*For example: mozzarella cheese made from imported milk could be labelled ‘Made in Australia from X% Australian ingredients’, but imported mozzarella cheese that is just shredded and packaged for resale could not be.*

### When is a ‘Packed in’ claim used?

New rules will require any ‘packed in’ statements to also include a clear country of origin statement.

If food in a package originated from one country (was grown, produced or made in one country), but was packed in another, the label must clearly state the country where it was grown, produced or made. Stating where it was packed would be optional.

Where food in a package comes from multiple countries, a label like ‘Packed in France from imported ingredients’ could be used.

For ‘Packed in Australia’ claims, the standard label would not include the kangaroo symbol, as the food is not of **Australian origin**. It might still contain some Australian ingredients and have undergone some processing in Australia, but it does not meet the criteria to make a grown, produced or made in Australia claim.



## Australian food exported and reimported without substantial transformation

Where Australian food is exported, processed overseas without substantial transformation, and then reimported, the label will have to state, in brackets, what processing occurred overseas.



## Alternative labels where ingredient sources vary

Alternative labels will be available where the sources of ingredients vary. These labels will allow an average proportion of ingredients to be specified. This average will be calculated based on a one, two or three year period that concluded within the last two years.

However, the label must provide a way for consumers to get information on the proportion of Australian ingredients in the actual food they want to buy or have bought, either online or over the phone, by referring to things like batch numbers or best before dates printed on the package, or scanning a bar code or similar device printed on the package.



## Calling out the origin of specific ingredients on standard labels

The origin of specific ingredients can be called out in any of the new labels.



## How will the new labels be applied to wholly imported products?

There will be minimal impact on food imported into Australia. Imported products will continue to be required to be labelled with a country of origin (Product of Thailand, Made in Canada etc.), and would need to meet the new rules around 'made in' and 'packed in' claims.

For priority foods, importers will be required to make their country of origin claim in a box on the label, so it can be easily found by consumers. They will not be allowed to use the kangaroo symbol as the product is not of **Australian origin**.



**Produced  
in Canada**

If businesses want to indicate the presence of Australian ingredients in an imported food, they could use a standard label that also includes a bar chart and text about the proportion of Australian ingredients.



## Flexibility in label design

A Style Guide will be published detailing the specifications for standard labels. Labels don't have to be green and gold. Labels can also be printed in black and white. However, all elements must be kept together and in a box. There are exceptions for small packages.

The Government is developing a new online self-assessment tool specifically for businesses to help them identify their new labels. This will be available to business shortly before the commencement of the Information Standard. Businesses will also be able to download their new labels using this tool.

## Other requirements

This is a snapshot of the reforms. Further information will be available over the coming months. Business and consumers are encouraged to check [this website](#) regularly for updates.