

The Country of Origin Food Labelling Information Standard will be enforced from 1 July 2018 affecting businesses in the food industry that supply food for retail sale in Australia.

FOOD MANUFACTURERS, SUPPLIERS, PROCESSORS TAKE NOTE

Failure to comply with the Standard or inaccurate description of food labelling will not only expose your business to fines of \$40,000.00 (for individuals) and \$200,000.00 (for companies) under the Food Act 1984, the contravention can also potentially constitute misleading or deceptive conduct under the Competition and Consumer Act 2010, which carries a maximum penalty of \$1.1 million for corporations and \$220,000.00 for individuals.



WHERE DO WE START? SOME QUESTIONS TO ASK

DO YOU SUPPLY OR MANUFACTURE PRIORITY OR NON PRIORITY FOODS?

Non priority foods are:

- Seasonings
- Confectionary

- Biscuits and snack foods (other than cakes, muesli bars, processed nuts, coated nuts and nut mixtures)
- Soft drinks and sports drinks
- Alcohol drinks
- Tea and coffee
- Bottled water.

Note there are exceptions specified by the ACCC in each of the above category.

Here, only a text statement about where the food was grown, produced or made is sufficient such as “Product of Australia”, “Made in Thailand”. Food packaged in a country which originates from more than one country will need to contain a statement that identifies where the food was packaged and indicates the food is from multiple origins or comprises imported ingredients.

FOR PRIORITY FOODS, WERE THEY PRODUCED, GROWN, MADE OR PACKAGED IN AUSTRALIA OR IN ANOTHER COUNTRY?

Key concepts and preliminary considerations:

“Grown in”

Did the food materially increase in size or was materially altered in substance by natural development or were germinated or otherwise arose in that country. Note: only food that are exclusively grown in Australia can bear the “Grown in Australia” label.

“Produced in”

Here we look at the significant ingredient in the food and where that was grown or otherwise obtained. Note: only food that contains exclusively Australian ingredients can carry the “Produced in Australia” label. The overlap of the concepts of “Produced in” and “Grown in” will see such labels used interchangeably where food grown in Australia are also produced in Australia.

“Made in”

This concept looks at the place where the last substantial transformation of the food product was effected. A last substantial transformation process is usually the process that brought about the final identity, nature or essential character of the food concerned. Where processing procedures are involved, it is useful to consider whether such processing would bring into

existence a fundamentally different product. For instance, roasting a green coffee bean to make coffee for consumption.

REQUIREMENTS THAT MUST BE MET BEFORE THE AUSTRALIAN COUNTRY OF ORIGIN LABELS CAN BE USED

When a food is grown, produced in, packed or made in Australia, it is mandatory that proportion of Australian content be disclosed. Where businesses cannot accurately identify the percentage of Australian content in a food, the claim that the food contains Australian content cannot be made.

Proportion here is based on weight of the ingredients where processing aids and water (when used other as an ingredient) are excluded. In some instances, disclosure of “average proportion of content” is allowed where the origin of certain individual ingredients may vary due to reduced availability or seasonal changes. Such averages are worked over any continuous 12, 24 or 36 month period within 2 years before the date the labelling is affixed to the product. When labeling these products, they must include a text stating “ingredient sources vary – average *% Australian ingredients” and a direction available to consumers to contact information or website to access further information on the product.

There is a [label library](#) available to assist businesses to design their country of original food labels, packaging and marketing materials.

BE COMPLIANCE READY

First step: Utilise the Department of Industry, Innovation and Science’s online decision tool to ascertain whether you need to display a country of origin label on your products.

Next step: Where the proportional Australian content must be displayed, ensure accurate calculation and display requirements.

Final step: Ensure the compliance date of 1 July 2018 can be met by taking actions now.

TO ENSURE COMPLIANCE

CONTACT US FOR A CONSULTATION TODAY.