

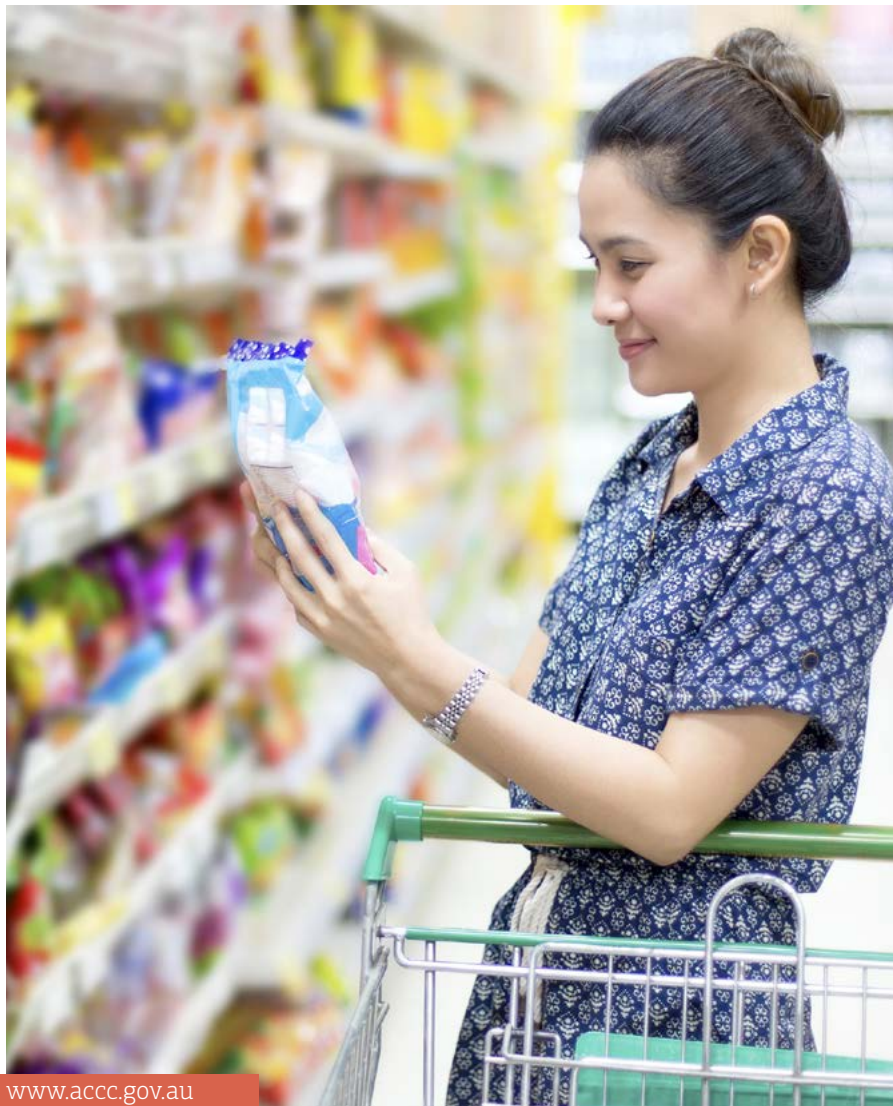


Australian  
Competition &  
Consumer  
Commission

A guide for business

# Country of Origin food labelling

Current as of 24 April 2017



This guide will help businesses comply with the *Australian Consumer Law's country of origin food labelling requirements* and understand how to avoid making false, misleading or deceptive claims.

The guide will be updated during the transition period to incorporate any changes to the law.

# Contents

<b>Summary of business obligations</b>	<b>1</b>
<b>Overview</b>	<b>2</b>
The Australian Consumer Law	2
The role of the ACCC	2
Flowchart	3
<b>Applying the Standard</b>	<b>4</b>
Priority and non-priority foods	5
Understanding the key concepts—grown, produced, made and packed	6
<b>Non-priority food labelling</b>	<b>10</b>
Food that is grown, produced or made in a single country	10
Food packaged in a country using food from another country	11
<b>Determining Australian content in food</b>	<b>13</b>
How to display the percentage on the label	13
How to work out the Australian content in a food	14
Additional requirements for foods that contain varying Australian content	18
Highlighting the origin of specific ingredients	19
<b>Priority food labelling</b>	<b>20</b>
Food grown, produced or made in Australia	20
Food packed in Australia	25
Imported food	29
<b>Designing and displaying labels</b>	<b>30</b>
Looking for further help?	30
Packaged food	31
Small packages	31
Unpackaged food	31
Fresh fruit and vegetables in transparent packaging	31
Online sales	31
<b>Making clear and accurate claims</b>	<b>32</b>
Safe harbours	32
Making other claims about your products	33
Using logos, pictures, colours and symbols	33
Promotional materials	34
Substantiating a claim	34
Non-compliance with the ACL	35
<b>Contact us</b>	<b>36</b>
Email updates	36

## Summary of business obligations

The *Country of Origin Food Labelling Information Standard 2016* (Standard) commenced on 1 July 2016. It requires most food suitable for retail sale in Australia to carry country of origin information.

This information may take the form of a text statement (statements may need to be in a defined box) or a text and graphic label known as a standard mark. For example:



Labelling requirements for individual food items vary depending on whether the food:

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

While the Standard applies to food that is imported into Australia for retail sale, it does not require country of origin labelling on food exported for sale outside Australia. However, labels permitted by the Standard may be used on exports, subject to the labelling laws in the importing country.

The Standard has a two-year transition period, during which businesses must either:

- continue to label their products according to the existing requirements around country of origin labelling set out in the *Australia New Zealand Food Standards Code*<sup>1</sup> (the Food Code), or
- adopt the new labelling requirements of the Standard.

From 1 July 2018, food to be sold in Australia must be labelled according to the requirements of the Standard. However, food products that are packaged and labelled according to the Food Code on or before 30 June 2018 can still be sold without the new labels after that date.

<sup>1</sup> During the transition period, a business will be taken to be complying with the Standard if they continue to label their products according to the country of origin labelling requirements set out in the Food Code.



## Overview

Consumers are influenced by a number of factors when buying goods, including claims about where a product was grown, produced or made.

Businesses that supply food for retail sale in Australia (including manufacturers, processors and importers) must be aware of their obligations under the Standard.

This guide will help businesses to comply with the Standard's country of origin labelling requirements.

## The Australian Consumer Law

The Standard was made under s. 134 of the Australian Consumer Law (ACL). The ACL is a national law that sets out specific provisions relating to the treatment of consumers and is contained in Schedule 2 to the *Competition and Consumer Act 2010*.

The ACL regulates country of origin food claims by prohibiting a person from:

- ✗ supplying (or offering to supply), manufacturing, processing or possessing for the purpose of supply, food that does not comply with the Standard
- ✗ making false or misleading representations about the place of origin of goods, including food products
- ✗ engaging in misleading or deceptive conduct in relation to a claim about the origin of goods, including food products.

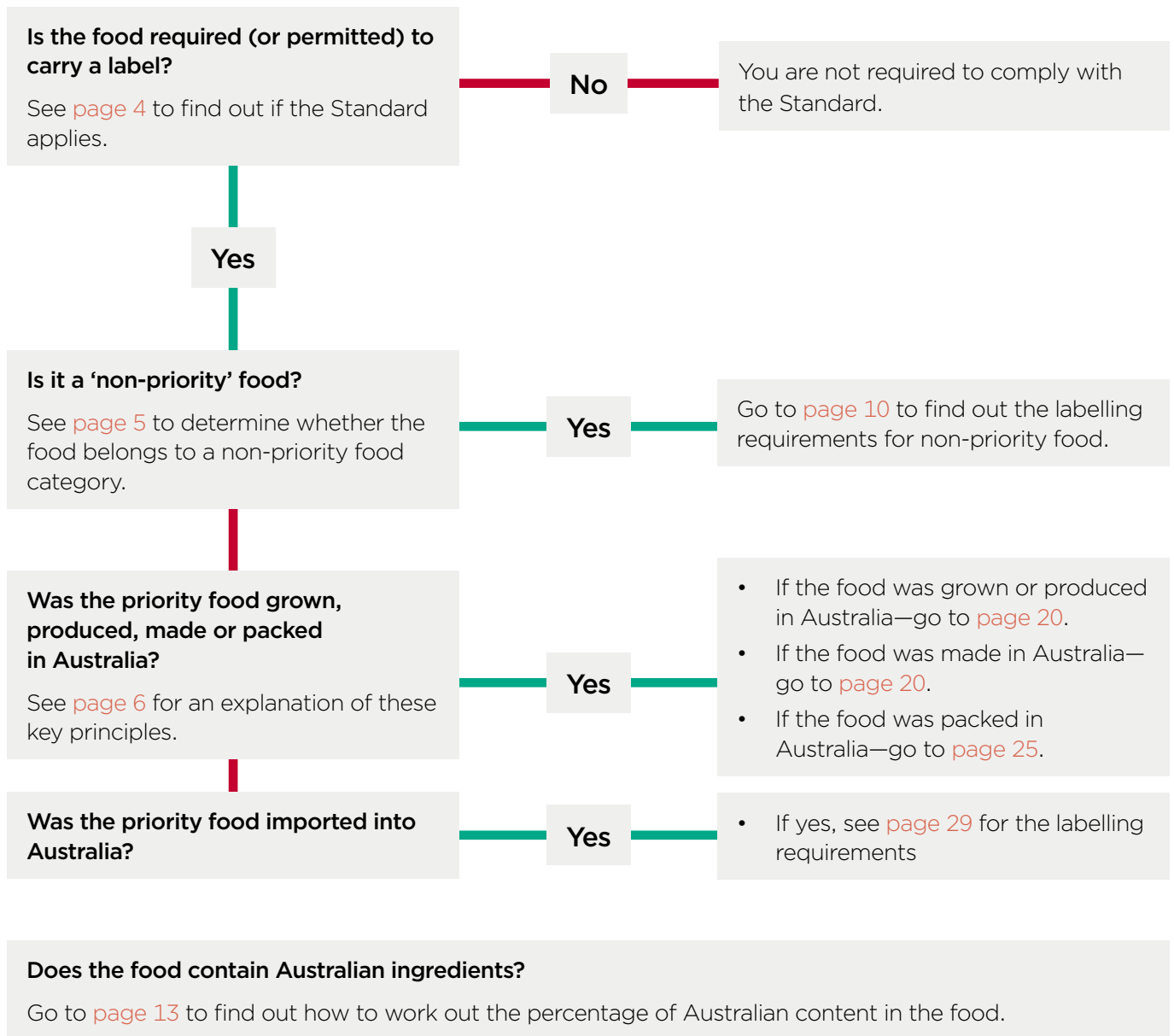
## The role of the ACCC

The Australian Competition and Consumer Commission (ACCC) is an independent Commonwealth statutory body that is responsible for administering the ACL, the Standard and the *Competition and Consumer Act 2010*. The ACCC promotes compliance with these laws and, where appropriate, takes enforcement action against businesses that breach them.

The ACCC's role complements that of state and territory consumer affairs agencies who also share responsibility for enforcing the Standard as well as the ACL.

## Flowchart

### Do I need to display a country of origin label on my food product?



**Made in Australia.**  
Last major processing has been done here.



**Grown in Australia.**  
For food where 100 per cent of the ingredients are Australian grown.



**Product of Australia.**  
For all food where 100 per cent of the ingredients are Australian and all major processing has been done here.



**Packed in Australia.**  
Features only a bar chart which shows the percentage of Australian ingredients.

## Applying the Standard

The Standard applies to the retail sale of food in Australia (e.g. food sold to the public in stores or markets, online or from vending machines), as well as packaged food sold by wholesalers.

It requires packaged food offered for sale to carry country of origin labelling. Unpackaged fish<sup>2</sup>, certain meats<sup>3</sup>, fruit or vegetables, nuts, spices, herbs, fungi, legumes and seeds (or a mix of any of these foods) will also need to display country of origin labelling.<sup>4</sup>

The Standard will not apply to food that is:

- otherwise unpackaged (e.g. unpackaged cheese, bread, pastries or sandwiches)
- only intended for export to overseas markets
- sold by restaurants, canteens, schools, caterers, self-catering institutions, prisons, hospitals, medical institutions or at fund-raising events (e.g. a cake stall at a school fete)
- made and packaged on the same premises where it is sold (e.g. sausages made and packed in a butcher's shop)
- delivered, packaged and ready for consumption, as ordered by the consumer (e.g. home delivered pizza)
- for special medical purposes<sup>5</sup>, or
- not for human consumption (e.g. pet food).

The fact that the Standard does not apply to these foods does not prevent a business from voluntarily making a country of origin claim about that product. A business selling food exempt from the Standard may make any origin claim provided it is not false or misleading.

However, if you choose to voluntarily adopt the kangaroo logo on your packaging or use a bar chart to indicate the proportion by weight of ingredients that originated in a particular country, you will be required to comply with the Standard regarding the use of those graphics.

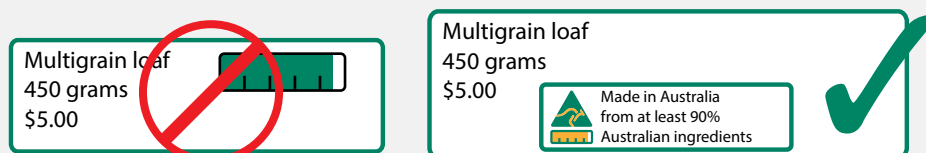


Kangaroo logo and bar chart

### Example

A bakery bakes bread fresh from scratch on-site for sale. The Standard does not require the bread to carry a country of origin label as it is made and packaged on the same premises where it is sold. However, the bakery decides to add a bar chart on the bread's packaging anyway to show that it contains 90 per cent Australian ingredients.

This would not be a permitted use under the Standard. If the bakery wanted to use a bar chart, they would need to create a country of origin label that complied with the requirements of the Standard (i.e. a full three component label—see [page 13](#) for more information).



<sup>2</sup> 'Fish' means a cold-blooded aquatic vertebrate or invertebrate including shellfish, but excludes amphibians or reptiles.

<sup>3</sup> Chicken, pork, beef, veal, lamb, hogget and mutton.

<sup>4</sup> This includes raw food items as well as food that has been cooked, marinated, cut, filleted, sliced, minced, diced, pickled, cured, dried, smoked, frozen or preserved by other means.

<sup>5</sup> Special medical purposes' has the meaning used in the Food Standards Code. Essentially it refers to specially formulated food that is intended for use under medical supervision for special medical purposes or the dietary management of a disease, disorder or medical condition (this excludes infant formula products and food formulated and represented as being for the dietary management of obesity or overweight).



If your food product is for retail sale in Australia, you must consider two key questions in order to work out the labelling requirements for the food:

- Is the food item a priority or non-priority food product?
- Was the food grown, produced, made or packed in Australia or another country?

## Priority and non-priority foods

While the Standard requires that all food to which it applies must carry a country of origin label, it establishes different labelling requirements depending on whether an item is classified as a priority or non-priority food.

A food will be a priority item unless it belongs to one of the following non-priority food categories:

1. seasonings
2. confectionery
3. biscuits and snack foods
4. soft drinks and sports drinks
5. alcoholic drinks
6. tea and coffee
7. bottled water.

To assist businesses to determine whether a food item falls within a non-priority category, the Standard provides examples of foods that will fall within each of these categories as well as items that are specifically excluded (and are therefore in the priority category).

Non-Priority Food Category	Includes:	Excludes:
<b>Seasonings</b>	<ul style="list-style-type: none"> <li>• pepper, salt and salt substitutes</li> <li>• dried herbs and spices</li> <li>• spice blends and other seasonings or flavourings in powder or paste form</li> <li>• dry cures or rubs for meat or fish</li> <li>• meat tenderisers.</li> </ul>	<ul style="list-style-type: none"> <li>• mustards</li> <li>• sauces, chutneys and relishes.</li> </ul>
<b>Confectionery</b>	<ul style="list-style-type: none"> <li>• chewing gum</li> <li>• cocoa and chocolate products e.g. chocolate bars, and cocoa or chocolate spreads</li> <li>• ice-cream, edible ices (including sherbet and sorbet), flavoured ice blocks and other frozen confectionery</li> <li>• popcorn</li> <li>• crystallised fruit, glacé fruit and edible cake decorations</li> <li>• products that primarily contain sugars and their dietetic counterparts e.g. non-chocolate based lollies and jellies.</li> </ul>	<ul style="list-style-type: none"> <li>• sugar, icing sugar or icing sugar mixes</li> <li>• jams, honey, marmalades and other spreads.</li> </ul>
<b>Biscuits and snack foods</b>	<ul style="list-style-type: none"> <li>• chips, rice cakes, biscuits, cookies, crackers, pretzels, cones or wafers</li> <li>• ready to eat savoury snacks such as potato or other vegetable crisps, sticks or straws, bacon or pork crackling or prawn chips.</li> </ul>	<ul style="list-style-type: none"> <li>• cakes</li> <li>• muesli bars</li> <li>• processed nuts, including coated nuts and nut mixtures (e.g. mixed with dried fruit).</li> </ul>

Non-Priority Food Category	Includes:	Excludes:
<b>Soft drinks and sports drinks</b>	<ul style="list-style-type: none"> <li>water-based flavoured drinks (carbonated and non-carbonated) e.g. iced tea</li> <li>'sport', 'energy' and 'electrolyte' drinks</li> <li>carbonated fruit or vegetable drinks</li> <li>powder, syrup, liquid and frozen concentrates used to make water-based non-alcoholic beverages (e.g. fountain syrups, fruit syrups for soft drinks, and frozen or powdered concentrate for lemonade and iced tea).</li> </ul>	<ul style="list-style-type: none"> <li>non-carbonated fruit or vegetable drinks</li> <li>milk</li> <li>cereal, nut or legume based drinks sold as milk substitutes (e.g. almond milk, soy milk).</li> </ul>
<b>Alcoholic drinks</b>	<ul style="list-style-type: none"> <li>any beverage with more than 0.5 per cent alcohol (by weight/volume).</li> </ul>	–
<b>Tea and coffee</b>	<ul style="list-style-type: none"> <li>the following, in dry or ready to drink form: <ul style="list-style-type: none"> <li>coffee and coffee substitutes, including instant and decaffeinated coffee</li> <li>tea and herbal infusions, including instant tea</li> <li>other similar cereal and grain beverages, excluding cocoa</li> </ul> </li> </ul>	
<b>Bottled water</b>	<ul style="list-style-type: none"> <li>natural mineral water, non-carbonated water, mineral and source waters, soda water and carbonated mineral water.</li> </ul>	–

## Understanding the key concepts—grown, produced, made and packed

The kind of origin claim that can be made about a food under the Standard will vary depending on where it was grown, produced, made or packed. It is important that businesses understand these key terms so that they can make accurate claims about their products.

### Grown in<sup>6</sup>

A food or ingredient is grown in a particular country if it:

- was materially increased in size or materially altered in substance in that country by natural development e.g. fruit and vegetables or whole fish.
- germinated or otherwise arose in, or was issued in, that country e.g. wheat, oats or nuts.
- was harvested, extracted or otherwise derived from an organism that has been materially increased in size or materially altered in substance in that country e.g. cow's milk, sugar, fruit juice, meat or eggs.

A food with multiple ingredients is also 'grown' in a country if each of its significant ingredients were grown in that country and all (or virtually all) of its processing occurred in that country e.g. breakfast cereal.

#### Tip

It is important to note that a food may only carry a 'Grown in Australia' standard mark label if it contains **exclusively** Australian ingredients.



<sup>6</sup> 'Grown in' includes all variants such as 'x grown'.



## Produced in<sup>7</sup>

A food is produced in a particular country if each of its significant ingredients were grown or otherwise wholly obtained in that country and all (or virtually all) of its processing occurred in that country. 'Wholly obtained' refers to foods or ingredients that originate in a country but are not necessarily 'grown' e.g. water sourced in Australia, salt harvested in Australia, or almond milk derived from Australian grown almonds and Australian sourced water.

The overlap in the definitions of 'grown in' and 'produced in' means that such origin claims are largely interchangeable; that is, a product that is 'Grown in Australia' could also in most instances claim to have been 'Produced in Australia'.

When determining whether something is a 'significant ingredient', businesses should consider the importance of the ingredient to the nature or function of the food product.

Importance is not necessarily related to the percentage that the ingredient makes up of a food item. For example, a business selling apple and blackcurrant juice as a 'Product of New Zealand', would need to show that both the apple juice and the blackcurrant juice were sourced from New Zealand, even if the blackcurrant juice only makes up a small percentage of the total volume of the product.

### Tip

It is important to note that a food may only carry a 'Produced in Australia' standard mark label if it contains **exclusively** Australian ingredients.



## Made in

A food is made in a country if it underwent its *last* substantial transformation in that country. The emphasis of this origin claim is therefore on the production of a food rather than its content.

A food will be substantially transformed in a country if it:

- was grown or produced in that country, or
- is, as a result of one or more processes in that country, fundamentally different in identity, nature or essential character from all of its ingredients or components that were imported into that country.

Foods that are able to carry a claim that they were 'grown in' or 'produced in' a particular country can therefore also safely claim to have been 'made in' that country. As to whether a product with imported ingredients or components has been substantially transformed, this will require a closer assessment of the processing undertaken to the ingredients in that country and its effect on the final product.

A product with imported ingredients or components will undergo its last substantial transformation in a country if it undergoes a fundamental overall transformation in that country such that its inherent characteristics (i.e. its identity, nature or essential character) are different when compared to each imported input. For example, a cake (final product) would be fundamentally different in identity, nature or essential character from the imported flour and spices that are used to make it.

It will not be sufficient for a product to be *somewhat* different from its imported ingredients or components.

Processes that merely change the form or appearance of imported goods will not be sufficient to result in a fundamentally different end product.

<sup>7</sup> 'Produced in' includes all variants e.g. 'product of' and 'x produce'.

### Tip

The Standard does not define what ‘identity’, ‘nature’ or ‘essential character’ mean. If you are trying to determine whether you have substantially transformed something, you should consider the ordinary meaning of these terms.

- **Identity**—the condition, character, or distinguishing features of a thing.
- **Nature**—the particular combination of qualities belonging to a thing by birth or constitution; native or inherent character.
- **Essential character**—the necessary or indispensable qualities that distinguish one thing from others.

The following table sets out the ACCC’s views on instances where processing would or would not result in a ‘fundamentally different’ product.

Processing	Substantially transformed?
Roasting, grinding and blending imported whole spices to make a curry paste	Yes
Blending imported dried herbs to make herbal tea	No
Roasting an imported nut	No
Roasting a green coffee bean to make coffee for drinking	Yes
Chopping up imported fruit to make a fruit salad	No
Chopping up imported apples and combining it with other ingredients to make an apple pie	Yes
Slicing/dicing/grating imported fruits and vegetables, meats or cheeses	No
Mixing imported meat with sauces, spices and vegetables to make a ready-to-bake meatloaf	Yes
Adding a marinade to imported chicken meat	No
Forming imported mince into patties	No
Curing and drying imported pork to make bacon	Yes
Smoking imported bacon to add flavour	No
Mixing imported ingredients together and using the mixture to bake a cake	Yes
Dry blending imported rice and imported herbs to make a spiced rice mix	No
Adding a chocolate coating to an imported biscuit	No
Baking a frozen raw imported pie	Yes
Browning or finishing off par-baked imported bread	No
Juicing imported fresh fruit and vegetables to make a juice	Yes
Reconstituting an imported fruit liquid concentrate to make a juice	No
Mixing imported prawns and squid, seasoning and processing them to make a mixed seafood snack	Yes
Crumbing an imported prawn	No
Cooking imported dried pasta, rice or legumes	Yes

## Packed in

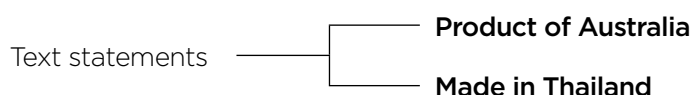
Depending on the circumstances, the Standard may require, or permit, a food to be labelled with information about where it was packaged.

Under the Standard, a food that cannot claim to have been 'grown', 'produced' or 'substantially transformed' (i.e. 'made') in a country will only be able to claim to have been 'packed in' that country. For example, if an Australian food processor slices, freezes and packages Australian carrots and New Zealand beans for sale, the mixed vegetables would be unable to claim to have been grown, produced or 'made' in either country. Accordingly, the product would only be able to claim to have been 'Packed in Australia'.



## Non-priority food labelling

The Standard only requires non-priority foods to carry a country of origin text statement about where the food was grown, produced or made. This statement need not be in a box, but it must be legible and prominent against the background of the label. For example:



Although the Standard only requires non-priority foods to carry country of origin text statements, businesses have the option of voluntarily labelling their foods according to the requirements for priority foods. If you choose this option you must ensure that you fully comply with the requirements of the Standard, as though the food was a priority food (see [pp. 20–30](#) for priority food labelling requirements).

### Example

A tub of plain ice cream may be labelled as a ‘Product of Australia’ if all of its significant ingredients (e.g. milk, sugar and eggs) originated in Australia. However, to be able to carry a ‘Product of Australia’ standard mark label all of the food’s ingredients would have to be Australian grown or produced.

If the ice cream did not contain exclusively Australian ingredients, it would instead have to carry a ‘Made in Australia’ standard mark label.

## Food that is grown, produced or made in a single country

The Standard requires that non-priority foods carry a statement that identifies the food’s country of origin; i.e. the country in which the food was grown, produced, or made. This statement need not be in a defined box.

To make a ‘grown’, ‘produced’ or ‘made’ claim in relation to non-priority foods, it is still necessary to meet the requirements of the Standard (see [page 6](#) for the meaning of grown, produced and made).

## Examples

1. Rice thins are made in Australia using Australian rice flour, oil and salt and imported additives, i.e. flavouring and anti-caking agent). As the significant ingredients are Australian and the manufacturing process occurred in Australia, the rice thins could carry a text statement indicating the food was:

### **Produced in Australia**

Alternatively, the processor could choose to adopt the three component standard mark label. As the food does not contain exclusively Australian ingredients, the food would only be able to carry a 'Made in Australia' standard mark label:



2. Coffee beans grown in Australia are roasted and packaged in Australia for sale. As coffee is a non-priority food item, the packaging must only carry a text statement such as:

### **Product of Australia**

Alternatively, the coffee producer could voluntarily choose to use the three component standard mark label with the kangaroo logo and a fully shaded bar chart to show that the product is of Australian origin and contains exclusively Australian ingredients.



3. Chocolate biscuits are made in the United Kingdom using local as well as imported ingredients from Ghana, Germany and Spain. As the raw ingredients were transformed into biscuits in the United Kingdom, the food need only carry a text statement indicating the food was:

### **Made in the United Kingdom**

Alternatively, the biscuits could be labelled as if they were a priority food (i.e. the text statement in a defined box).

**Made in United Kingdom**

## Food packaged in a country using food from another country

For non-priority food that is packed in a country using food from another country (without undergoing 'substantial transformation'), the text statement must include:

- if the food was 'grown', 'produced' or 'made' in a single country—a statement of the country of origin of the food. Additional text may be made about where the food was packed.
- if the food in the package is from more than one country—a statement that identifies where the food was packaged and indicates the food is from multiple origins or comprised of imported ingredients.

## Examples

1. A variety of dried herbs are imported from multiple countries into Italy where they are combined and packaged for sale. The herb mix is imported into Australia. It would only be required to carry a text statement such as:

### **Packed in Italy from imported ingredients**

2. Crystallised ginger is made in China from local and imported ingredients and then packaged in Indonesia for retail sale. The product, as imported into Australia, would only need a text statement about where it was packed and indicating it was from multiple origins:

### **Made in China or Made in China, packed in Indonesia**

3. Peppercorns from India (40 per cent), China (36 per cent) and Australia (24 per cent) are mixed and packed for sale in Australia. The food would only need to carry a text statement such as:

### **Packed in Australia with ingredients from India, China and Australia**

As an alternative however, the business could choose to voluntarily adopt a standard mark label in order to identify the percentage of Australian content:







## Determining Australian content in food

If a food is grown, produced, made or packed in Australia, its country of origin labelling must (unless stated otherwise) disclose the proportion of Australian content in the product. This requirement is optional for all other food, including food made or packed overseas with up to 100 per cent Australian content.

'Australian content' means ingredients or parts of compound ingredients that were exclusively grown or produced in Australia.

Determining the percentage of Australian ingredients in a food will be a straightforward task for single ingredient foods grown or produced in Australia, or food that is made in Australia using exclusively Australian content. However, this task may be more complicated for foods that are made or packed in Australia or overseas using both Australian and non-Australian ingredients.

Where a business cannot identify the percentage of Australian ingredients used in a food, they will be unable to claim that that food contains Australian content.

### How to display the percentage on the label

The percentage of Australian content in a food must generally be expressed on the label as the minimum proportion of Australian ingredients. For example:



However, if the amount of Australian content in a food that is made or packed in Australia varies over time, the food may instead use an average proportion of Australian ingredients claim on its label. However, to be eligible to make an average claim, the business must meet certain criteria. An average claim label would look something like:



For foods that contain between 1 and 9 per cent Australian content, the label may alternatively state that the food contains 'less than 10% Australian ingredients'.

The percentage presented on the label must be a whole number that is no higher than the minimum or average proportion of Australian content in the food. Practically, this means all percentages should be rounded down to the nearest whole percentage.

### Examples

- 55.89 per cent would appear on the label as '55% Australian ingredients'.
- 99.5 per cent would appear on the label as '99% Australian ingredients'.
- Six per cent could appear on the label as '6% Australian ingredients' or 'less than 10% Australian ingredients'.
- Less than one per cent would appear on the label as '0% Australian ingredients' or 'from imported ingredients'.

The bar chart is used on the standard mark graphic labels to help consumers quickly and easily identify the percentage of Australian content in a food product. An unfilled bar chart therefore indicates that a food contains wholly imported ingredients.

The bar chart is generally shaded in **10 per cent increments; rounding down** e.g. a product with 58 per cent Australian content would have a bar chart filled to 50 per cent.

There are two exceptions to this rule:

- for foods with less than 10 per cent Australian ingredients, the bar chart is filled to the 5 per cent mark, e.g. a product with 9 per cent Australian content would have a bar chart filled to 5 per cent
- for foods that contain at least 95 per cent but less than exclusively Australian content, the bar chart is shaded to the 95 per cent mark e.g. a product with 99.5 per cent Australian content would have a bar chart filled to 95 per cent.

## How to work out the Australian content in a food

In order to work out the percentage of Australian content in a food, businesses must break down a food into its individual ingredients and determine each ingredient's weight. This is calculated according to the **ingoing weight** (that is, based on the product's recipe) and not the final weight of the ingredients in the food after cooking, baking, curing or processing. For example, the percentage of Australian content in a cake would be worked out on the raw ingredients not the finished product.

### If the ingoing weight of Australian ingredients is consistent

Where a food always contains the same ingoing weight of Australian ingredients, businesses must identify the *minimum* proportion of Australian ingredients in each item.

This is done by calculating the weight of Australian ingredients as a proportion of the total weight of all ingredients. This proportion is then expressed on the label as a percentage.

This can be worked out as follows:

$$\left( \frac{\text{total ingoing weight of ingredients exclusively grown or produced in Australia}}{\text{total ingoing weight of all ingredients}} \right) \times 100$$

### Example

#### 1. Tomato sauce

The amount of exclusively grown or produced Australian ingredients by ingoing weight is 1350 g. The total ingoing weight of all ingredients is 1500 g.

$$\left( \frac{1350}{1500} \right) \times 100 = 90\%$$

Expressed as a percentage, the Australian content is 90 per cent.

Ingredients	
Australian ingredients	Imported ingredients
1 kg tomatoes	130 g onion
170 g olive oil	20 g garlic cloves
20 g sugar	
10 g basil	
150 g water	

## If the ingoing weight of Australian ingredients varies

Circumstances may arise where the origin of individual ingredients or components of a food varies. This could be for a number of different reasons e.g. reduced availability, seasonal changes or changes in supplier.

To allow for such variability, the Standard permits food to instead carry or display a label setting out the *average* proportion of Australian content.

The 'average proportion of Australian content' is determined by averaging the minimum Australian content over any continuous 12, 24 or 36 month period. This period must end no later than two years before the date the labelling is affixed to the package. After this time, the business will need to reassess its claim and change their labels as necessary.

### Example

If the average Australian content in a food is worked out based on the period 1 July 2015–30 June 2017, this percentage could be used on labels up until 30 June 2019.

Businesses that elect to use average content claims on their labels must ensure that they keep adequate records to be able to substantiate their claims, particularly given the requirements to provide additional information for consumers in external sources if using an average Australian content claim (see below).

How to work out the average proportion of Australian content in a food as a percentage:

1. Calculate the percentage of Australian content for each month/batch:

$$\left( \frac{\text{weight of ingoing Australian content}}{\text{total weight of ingoing content}} \right) \times 100 = y^*$$

\* this will become 'y'

2. Use these figures to calculate the average proportion of Australian content for the 12, 24 or 36 month period as a percentage:

$$\frac{\text{SUM } (y_1 + y_2 + y_3 \dots y_N)}{\text{total number of months/batches in the period}}$$

### Examples

1. Nut bar

A nut bar is made in Australia using local and imported nuts, seeds and dried fruit. The nut bar is manufactured in bulk, with one batch per month. The manufacturer decides to use an average content claim (based on the previous 12 months) as the percentage of Australian content changes every month.

Month	1	2	3	4	5	6	7	8	9	10	11	12
% of Aus content	20%	30%	40%	50%	60%	70%	20%	30%	40%	50%	60%	70%

This would be represented as:

$$\frac{20 + 30 + 40 + 50 + 60 + 70 + 20 + 30 + 40 + 50 + 60 + 70}{12} = 45\%$$

Based on a one year average, 45 per cent of the food by ingoing weight is Australian content. The manufacturer would be able to label its products as containing 'average 45% Australian ingredients' for up to two years after the final month of the period. After that point, it would need to recalculate the percentage and amend its labelling if the average claim used was no longer accurate.

## 2. Muesli bar

The same manufacturer also produces a muesli bar in Australia; however, production is eight bulk batches over a 12-month period. The manufacturer also wants to use an average content claim on the product.

Batch	1	2	3	4	5	6	7	8
% of Aus content	60%	75%	40%	50%	60%	60%	60%	50%

This would be represented as:

$$\frac{60 + 75 + 40 + 50 + 60 + 60 + 60 + 60 + 50}{8} = 57\%$$

Based on a one year average, 57 per cent of the food by ingoing weight is Australian content. The manufacturer would be able to label its products as containing 'average 57% Australian ingredients' for up to two years after the final month of the one year period on which the claim was based. After that point, it would need to recalculate the percentage and amend its labelling if the average claim used was no longer accurate.

## 3. Apple pie

An apple pie is made in Australia using fresh apples. Due to seasonal availability, Australian apples are used for nine months of the year, and imported apples are used for the remaining three months.

The total ingoing weight of ingredients is 1000 g. The apples make up 50 per cent of the ingoing weight of all ingredients. The other ingredients are always Australian.

For the nine months Australian apples are used, the percentage of Australian content is:

$$\left( \frac{1000}{1000} \right) \times 100 = 100\%$$

For the three months imported apples are used, the percentage of Australian content is:

$$\left( \frac{500}{1000} \right) \times 100 = 50\%$$

The average over the full 12 month period would be represented as:

$$\frac{(100 \times 9) + (50 \times 3)}{12} = 87.5\%$$

Based on a one year average, 87.5 per cent of the food by ingoing weight is Australian content (this would appear on the label as 87 per cent). The manufacturer would be able to label the food as containing 'average 87% Australian ingredients' for up to two years after the final month of the one year period on which the claim was based. After that point, it would need to recalculate the percentage and amend its labelling if the average claim used was no longer accurate.

## Compound ingredients

It is not uncommon for foods to contain 'compound ingredients'; that is, ingredients that are themselves made up of sub-ingredients. Examples of compound ingredients include:

- pasta (made up of flour, egg and water) in a ready meal
- yoghurt balls (made up of yoghurt, dried fruit and shredded coconut) in a trail mix.

If a compound ingredient contains both Australian and non-Australian sub-ingredients, the ingoing weight of the sub-ingredients must also be broken down in order to work out the overall percentage of Australian content. This is because only the Australian grown or produced proportion of a compound ingredient may be counted as Australian content.

### Example

Beef ready meal

Contents:

- 80 g sauce (90 per cent Australian content) = 72 g of Australian content
- 60 g beef (Australian) = 60 g of Australian content
- 60 g vegetables (Australian) = 60 g of Australian content
- 175 g pasta (36 per cent Australian content) = 63 g of Australian content

The total ingoing weight of all ingredients is 375 g. The ingoing weight of Australian ingredients is 255 g.

$$\frac{255}{375} \times 100 = 68\%$$

The percentage of Australian ingredients is 68 per cent.

### What counts as an 'ingredient' when determining weight?

In general, all ingredients that form part of a food will be counted when determining weight, except in the following circumstances:

#### Processing aids

Processing aids will not be counted as an 'ingredient' when determining weight. A 'processing aid' is a substance that has a technological purpose in the processing of raw materials, foods or ingredients, but which does not perform a technological purpose in the final food.

Simply put, a processing aid is a chemical (or food) that performs a function in creating a food but does not have an effect on the final food product, such as a yeast enzyme that is used to make bread dough rise prior to baking or an anti-foaming agent that is used to prevent excessive bubbles when cooking jam.

By comparison, a substance that is added to a food to achieve a technological function in the final food is a 'food additive' e.g. an anti-caking agent that is added to grated cheese to reduce the tendency of individual food particles to adhere to one another. Food additives are counted as ingredients when determining the proportion, by weight, of Australian ingredients in a food.

#### Tips

- As a general guide, if the Food Code requires that a substance be listed as an 'ingredient' in the food, it will not be a 'processing aid.'
- If you are unsure whether a substance performs a technological function in the final food, you should contact the supplier or manufacturer for more information.

### Example

Cheese

Rennet is used in the making of cheese to separate curds and whey and would be considered a processing aid. As such, it would not count towards the percentage of ingoing ingredients in the food. By contrast, an anti-caking agent used to coat shredded cheese (thereby reducing clumping of the shredded cheese) would be an additive and would count as an 'ingredient'.

## Water

In general, water that is added as an ingredient in a food is to be counted when determining weight. The water's origin will be taken to be the country in which it was collected or harvested.

The one exception to this is where the water is being used to reconstitute dehydrated or concentrated ingredients or other components of food (including food additives). In this instance, the water will have the country of origin of that ingredient or component.

The key factor here is not merely that the ingredient or component is dehydrated or a concentrate, but that the water is being used to 'reconstitute' the food item. 'Reconstitute' is broadly defined as '*to constitute again; reconstruct; recompose*'. The purpose of water in such a scenario is to restore the item back to its original state.

### Example

A fruit juice drink is manufactured in Australia by combining a Brazilian fruit juice concentrate and water collected in Australia (plus other ingredients). Although collected in Australia, the water added to reconstitute the concentrate would be considered to be Brazilian water for the purposes of the Standard.

There are also circumstances where water may be used (alone or with other ingredients) as a 'liquid packing medium' for a food, e.g. the brine in a jar of pickled onions or the water in a can of chickpeas. The water in a liquid packing medium is only to be counted towards the weight of ingredients if it is or can be consumed as part of the food. If the liquid packing medium is not generally consumed, the water in the medium will not count towards weight.

### Examples

#### 1. Diced peach cups

*Australian content: water (23 per cent) and sugar (11 per cent)*

*Imported content: peaches (66 per cent)*

As the fruit syrup solution is or can be consumed as part of the food the water in the syrup would be included when determining the weight of ingredients. The proportion of Australian content would be 34 per cent as both the water and the sugar would be included in the calculation.

#### 2. Tinned salmon

*Australian content: water (38.5 per cent) and salt (1 per cent)*

*Imported content: salmon (60.5 per cent)*

In this instance the water forms part of a brine which is generally not consumed with the food. As the water would not be included when determining the weight of ingredients, the proportion of Australian ingredients in the food would be one per cent (for the salt).

## Additional requirements for foods that contain varying Australian content

The use of an average proportion of Australian content claim means that sometimes, the actual percentage of Australian content in a food will be less than what is represented on the label. To ensure that consumers are not misled, country of origin labels for foods that contain varying Australian content must:

- include the following standard text 'ingredient sources vary—average x% Australian ingredients'
- direct consumers to a telephone number, website, or smartphone application or program where they can access more information about the product, and



- include further information, such as a barcode, batch number, lot, date of manufacture or date mark to enable the consumer to obtain further information on the percentage of Australian ingredients in the food in that package.

Consumers who follow the method listed on the label must be able to find out the time period used to calculate the average (whether a continuous 12 month, 24 month or 36 month period) and the proportion by weight of Australian ingredients in the package.

The phrases that may be used to indicate how to find out more information are as follows:

- if using a phone app or software ‘—scan barcode for details’
- if using a telephone number ‘—call [phone number] for details’
- if using a website ‘—visit [website address] for details’.

### Example

A corn soup is made in Australia from 50 per cent corn and 50 per cent imported ingredients. Half of the year, the soup is made using exclusively Australian grown corn (the percentage of Australian ingredients is 50 per cent). The other half of the year, only imported corn is used (the percentage of Australian ingredients is zero for this period).

As an alternative to using two different labels throughout the year, the producer could instead choose to use a label with an average Australian content claim. The average Australian content over 12 months is:

$$\frac{(50 \times 6) + (0 \times 6)}{12} = 25\%$$

The standard mark label would look something like this:



## Highlighting the origin of specific ingredients

Extra text may be added to labels for food made or packed in Australia or imported foods that contain Australian ingredients, in order to highlight the origin of specific ingredients. However, to be able to do this the ingredient/s named must have been sourced exclusively from one country.

Country of origin labels that rely on an average Australian content claim cannot specify the origin of individual ingredients as part of the standard mark. However, this does not prevent businesses from identifying the origin of specific ingredients on other parts of their packaging as long as the statement is not false or misleading.

### Examples

The label for mixed nuts packed in Mexico with Australian macadamias (12 per cent) could be customised as follows:

**Packed in Mexico from  
at least 12% Australian  
ingredients with  
Australian macadamias**

The label for maple-glazed bacon made in Australia using maple syrup from Canada could be customised as follows:





## Priority food labelling

While all food covered by the Standard must carry country of origin labelling, priority foods are subject to additional labelling requirements.

In most instances, priority foods grown, produced, made or packed in Australia will be required to carry a graphic and text-based label known as a 'standard mark'. There are special rules around the use of standard mark labels.

Imported priority foods will only be required to carry a country of origin statement in a clearly defined box. However, the Standard does allow importers to voluntarily adopt a standard mark label for imported foods that contain Australian ingredients.

The labelling options for priority foods vary depending on whether the food was:

- grown, produced or made in Australia
- packed in Australia, or
- imported into Australia.

### Food grown, produced or made in Australia

Priority foods grown, produced, or made in Australia must use a three component standard mark label. The three component standard mark features text and images in a clearly defined box.

- The kangaroo in a triangle logo indicates that the product is of Australian origin.
- The bar chart is a visual indicator of the percentage of Australian ingredients in the food.
- The explanatory text states whether the food was grown, produced or made in Australia and, in most instances, the percentage of Australian ingredients.

Kangaroo logo

Bar chart

Explanatory text



In certain circumstances, a food product will be eligible to carry a 'grown in', 'product of' or 'made in' standard mark label. Where this occurs, the business can choose which type of claim is most appropriate for their product.

### 'Grown in' or 'produced in' Australia

Under the Standard, a single ingredient food can only carry a 'Grown in Australia' or 'Product of Australia' three component standard mark label if it was grown or produced in Australia.

A food consisting of more than one ingredient can only carry a 'Grown in Australia' or 'Product of Australia' three component standard mark label if *all* of its ingredients (not merely the significant ingredients) were grown or produced in Australia and all, or virtually all, of the processing occurred in Australia.

## Example

Australian pork is cured (using Australian water and an imported brine mix) and then cooked to make a ham. All of the processing occurs in Australia.

Although the pork is Australian, the ham cannot carry a 'Product of Australia' standard mark as it is not made from exclusively Australian ingredients. Notably, the brine is a food additive and not a processing aid. In this instance, the manufacturer would have to make a 'Made in Australia' claim (see [page 7](#)).



The use of the 'grown in' and 'produced in' standard mark labels will be largely interchangeable; that is, a product that is 'Grown in Australia' could also in most instances claim to have been 'Produced in Australia'. Where this is the case, the choice of explanatory text will be a practical matter as to which claim the business considers to be more appropriate for the product. For example, a business may choose to label fresh peaches as 'Australian grown', but may consider that 'Product of Australia' is more appropriate for tinned peaches.

Acceptable variations of the mandatory explanatory text are:

For grown in	For product of
<ul style="list-style-type: none"> <li>Grown in Australia</li> <li>Australian grown</li> <li>Australian [type of food item] e.g. 'Australian apples'</li> </ul>	<ul style="list-style-type: none"> <li>Produced in Australia</li> <li>Product of Australia</li> <li>Produce of Australia</li> <li>Australian product</li> <li>Australian [type of food item] e.g. 'Australian milk'</li> </ul>

While the percentage of Australian ingredients in a food must generally form part of the mandatory explanatory text statement, it is not necessary in this instance. The exclusivity of Australian ingredients in the food product will be indicated by a fully shaded bar chart.

## Examples

A supermarket sells pumpkin that is sourced from an Australian farmer. The pumpkin could be labelled as:



A butcher sells steaks that are made from Australian cows that are butchered in Australia. The beef could be labelled as:



A fish market sells whole barramundi that was caught in Australia. The fish could be labelled as:



A beverage manufacturer produces almond milk in Australia using Australian-sourced water and Australian grown almonds. The almond milk could be labelled as:



## 'Made in Australia'

The 'Made in Australia' standard mark label indicates that a food item underwent its last substantial transformation in Australia. Because this claim places the emphasis on the production of a food item rather than its content, a 'Made in Australia' standard mark can be used for products that contain:

- exclusively Australian content
- no Australian content
- a mix of Australian and imported content.

The Standard allows businesses that make food in Australia to add text to their labels to highlight the origin of an individual ingredient (see *Highlighting the origin of specific ingredients* on [page 28](#)).

### Food made in Australia with exclusively Australian content

Products that contain exclusively Australian content must use either of the following mandatory text statements:

- **'Made in Australia from Australian ingredients'** or
- **'Made in Australia from 100% Australian ingredients'**.

Alternatively, such products could carry a 'grown in' or 'produced in' standard mark label (see [page 6](#)).

The exclusivity of Australian ingredients in the food product will also be indicated by a fully shaded bar chart.

#### Example

A processor uses Australian milk and strawberry syrup made from Australian grown sugar and strawberries to make flavoured milk in Australia. As an alternative to using a 'Grown in' or 'Product of' Australia standard mark, the milk's packaging could be labelled as:



### Food made in Australia from exclusively imported content

If a food product is made in Australia using exclusively imported ingredients, the explanatory text must state that the product was:

- **'Made in Australia from imported ingredients'**, or
- **'Made in Australia from 0% Australian ingredients'**.

An empty bar chart must also be featured.

#### Example

A manufacturer makes avocado oil in Australia using avocados sourced from India. The oil could be labelled as:



## Food made in Australia with a mix of Australian and imported content

For food items made in Australia using a mix of local and imported ingredients, the explanatory text will typically state **‘Made in Australia from at least x% Australian ingredients’**. However, this text may be modified if:

- between 1 and 9 per cent of ingredients are Australian—the label may instead read **‘Made in Australia from less than 10 per cent Australian ingredients’**
- a business wishes to instead rely on an average Australian content claim
- a business wishes to add text highlighting the origin of a particular ingredient.

### Examples

A meat processor makes sausages in its Australian factory using 88 per cent Australian lamb and 12 per cent imported ingredients. The sausages could be labelled as:



A manufacturer uses Australian wheat (99.5 per cent) and other imported ingredients to make a baking flour in Australia. The flour could be labelled as:



A frozen meal is made in Australia using predominately imported ingredients (the percentage of Australian content is seven per cent based on a 24 month average). The meal could be labelled as:



## Mixed bins

Where unpackaged fish, certain meats, fruit or vegetables (including nuts, spices, herbs, fungi, legumes and seeds) are displayed for sale in ‘mixed bins’ (i.e. imported and Australian items mixed together), the requirement to display country of origin labelling will be satisfied if the label indicates that the food item is of ‘mixed origins’.

The ‘mixed origins’ label may only be used for mixed bins of single ingredient foods, e.g. a mixed bin of apples or a mixed bin of potatoes. The kangaroo logo and bar chart are not appropriate for mixed bins, as not all of the food in the bins would be Australian and there is no guarantee that the proportion of Australian food would remain constant.

### Example

A grocer sells unpackaged walnuts in large containers where consumers scoop out the amount they wish to buy. At times, the bins contain American as well as Australian walnuts. The grocer would meet its obligations under the Standard at this time if it ensured the containers indicated:

**Produce of mixed origin**

**Grown in USA or Australia**

## Minor processing overseas

Instances may arise where food grown, produced or made in Australia may be exported overseas for minor processing and then re-imported into Australia.

Where this occurs, the food may still carry a grown in, produced in, or made in Australia standard mark label provided the food:

- has not been substantially transformed overseas
- has not been combined with non-Australian ingredients whilst overseas
- still satisfies the criteria to make that origin claim, bearing in mind the processing that has occurred overseas.

However, additional mandatory text requirements will apply to the food. In addition to the origin statement, the text in the standard mark must include a description, in brackets, of the processing that occurred overseas. It will not be sufficient to provide a general description of the processing that took place overseas e.g. 'processed in China'.

If the food is unable to still carry the three component standard mark label because of the processing undertaken overseas, it will have to be labelled as per the requirements for imported food (see [page 29](#)).

### Examples

Australian macadamia nuts exported to Fiji for shelling and packaging before being reimported into Australia for sale could be labelled as:



Prawns caught in Australian waters are shelled, frozen and packaged in Vietnam. The prawns could be labelled as having been grown in Australia. However, the prawns would not be eligible to carry a 'Product of Australia' label because not all, or virtually all, of the processing occurred in Australia.





## Food packed in Australia

Food that is imported into Australia and packed here without being substantially transformed cannot claim to be of 'Australian origin'. This means the package cannot carry the three component standard mark label featuring the kangaroo logo—even if some Australian food is included in the package.

In most instances, food that is packed in Australia will be required to carry a two-component standard mark label featuring a bar chart and explanatory text in a clearly defined box:

- The bar chart is a visual indicator of the percentage of Australian ingredients in the food.
- The explanatory text states that the food was packed (or packaged) in Australia and the percentage of Australian ingredients.

Bar chart

Explanatory text



The Standard allows businesses who pack food in Australia to add text to their labels to specify the origin of particular ingredients (see *Highlighting the origin of specific ingredients* on [page 28](#)).

### Ingredients sourced from multiple countries

The use of the two component standard mark label is mandatory where priority food from more than one country is packed in Australia, i.e. for food that cannot claim to have been grown, produced, or made in one single country.

If none of the food in the package was grown or produced in Australia, the label will need to state that the food was:

- **'Packed in Australia from imported ingredients'**, or
- **'Packed in Australia from 0% Australian ingredients'**.

This label must carry an unshaded bar chart.

#### Example

A soup mix is made in Italy and packed in Australia. Fifty per cent of the ingredients are from Italy, 30 per cent from Spain and 20 per cent from Germany. The soup mix could be labelled as either:



If Australia was one of the countries from which the food in the package originated, this should be reflected in both the text statement and the bar chart. The explanatory text on the label will typically be **'Packed in Australia from at least x% Australian ingredients'**. However, this text may be modified if:

- between 1 and 9 per cent of ingredients are Australian—the label may instead read **'Packed in Australia from less than 10 per cent Australian ingredients'**
- the business wishes to rely on an average Australian content claim for the product
- the business wishes to highlight the origin of a particular ingredient.

## Examples

A trail mix is roasted and packed for sale in Australia. It contains Australian almonds (8 per cent) as well as nuts, seeds and dried fruits from multiple countries. The trail mix could be labelled as:



Prawns from Thailand are imported into Australia where they are crumbed using Australian ingredients and repackaged for sale. The crumb coating makes up 10 per cent of the incoming weight of ingredients. The crumbed prawns could be labelled as:



A bag of rice is packed in Australia using domestic and imported rice. Using a two year period, the processor works out that the rice is packed using, on average, 84 per cent Australian ingredients. The rice could be labelled as:



## Ingredients sourced exclusively from a single overseas country

If the ingredients for a food packed in Australia were sourced exclusively from a single overseas country, the label must indicate that the food was grown, produced or made in the originating country. In this instance, the use of the standard mark label is optional and businesses may label the food with either:

- a country of origin statement stating where the food was grown, produced or made in a defined box, or
- a two-component standard mark label with an unshaded bar chart and explanatory text stating the country of origin and that the food was packed in Australia.

However, businesses should note that if they choose to identify that the food was packed in Australia, they will be required to use the two component standard mark label and indicate via the bar chart that there are no Australian ingredients.

If food packed in Australia is sourced exclusively from one country, but that country changes from time to time, the label will also need to be changed to identify the country from which the food in that package has come from.

## Examples

1. Quinoa is grown in Peru and imported and packaged in Australia. A country of origin statement or a two-component standard mark label would both be acceptable:



2. Between May and October, a supplier imports USA-grown oranges and packs them in Australia for retail sale. The supplier would need to refer to the United States as the source of those oranges:



The same supplier sources oranges from Brazil between November and April and also packs them in Australia. The packed oranges are always of a single origin (i.e. either from Brazil or the USA). The supplier would need to change their packaging to reflect that the oranges in the pack are of Brazilian origin during this period:



## Made in a single overseas country with Australian ingredients

Circumstances may arise where Australian grown or produced ingredients are sent overseas, substantially transformed (with or without other ingredients being added), and then re-imported into Australia for packing. For example:



Such food must identify that the food was 'made in' that overseas country. In this instance, the use of the standard mark label is optional and businesses must label the food with either:

- e.g. a country of origin statement specifying where the food was made in a defined box, or
- e.g. a two-component standard mark label with an bar chart and explanatory text setting out the country in which the food was made and the percentage of Australian content in the food. The addition of the words 'packed in Australia' is optional.



If the food contains exclusively Australian ingredients and the business chooses to use a two component standard mark, the label must state that the food was either:

- **'Made in (country) from 100% Australian ingredients'**, or
- **'Made in (country) from Australian ingredients'**.

### Example

Australian-grown apples are exported overseas to Singapore and converted into juice without the addition of other ingredients before being shipped back to Australia in bulk for packaging. The juice packaging could simply bear a 'Made in Singapore' text statement in a clearly defined box. Alternatively a two-component standard mark such as one of the following could be used.



If the food contains some, but not exclusively Australian ingredients, the explanatory text on the label (if the two component label is chosen) will typically be **'Made in (country) from at least x% Australian ingredients'** but this will vary depending on the actual percentage of Australian content in the food. The text may be modified if:

- the food contains between 1 and 9 per cent Australian content—the text may state either **'Made in (country) from at least x% Australian ingredients'** or **'Made in (country) from less than 10% Australian ingredients'**
- the business wishes to highlight the origin of a specific ingredient.

### Examples

1. Australian grown sweet potato is exported to Thailand and combined with imported pears and apples to make an infant puree. Sweet potato accounts for half of the ingoing ingredients. The finished product is imported into Australia where it is packaged into individual pouches. The food pouches could be labelled as:



2. Australian-grown cashews are exported to Vanuatu where they are roasted and combined with New Zealand honey to form a cashew bar. The end product (72 per cent cashews, 24 per cent honey and 4 per cent salt) is shipped back to Australia for packing. If the importer wanted to highlight the percentage of Australian content, but also wanted to identify the origin of the honey, they could use the following standard mark:



## Imported food

Food that is not grown, produced, made or packed in Australia is classified as imported food. Under the Standard, imported priority food must, at a minimum, carry a country of origin text statement (e.g. 'Made in China' or 'Product of Brazil') in a clearly defined box.

### Example

Ingredients from Canada, the United States of America and Mexico are combined in an American factory to make a packaged cake that is imported into Australia for retail sale. In this instance, the appropriate text statement would be:

**Made in the USA**

If an imported food cannot claim to have been grown, produced or made in a single overseas country, it must instead carry a 'packed in' statement. In this instance, the label must:

- identify the country where it was packed and
- indicate that the food is of multiple origins, or from imported ingredients.

### Example

A company imports a trail mix to be sold in Australian stores. The ingredients were combined and packaged in Brazil using nuts, seeds, coconut flakes and dried fruits from a number of countries, including Brazil. In this instance, the company importing the product must ensure that the trail mix packaging is labelled in a way that indicates the food is of multiple origins or from imported ingredients:

**Packed in Brazil from imported ingredients**

**Packed in Brazil from multiple origins**

**Packed in Brazil from Brazilian and imported ingredients**

## Imported foods that contain Australian ingredients

As an alternative, if a food imported into Australia contains some Australian ingredients, the food may carry a two-component standard mark. The mandatory explanatory text must identify the food's country of origin and state the percentage of Australian ingredients in the food.

The explanatory text on the label may be modified if:

- between 1 and 9 per cent of ingredients are Australian—the explanatory text may state that the food was grown, produced, made or packed 'from less than 10 per cent Australian ingredients'
- the business wishes to highlight the origin of a particular ingredient.

### Examples

1. A fruit jam is made in New Zealand from Australian cherries (73 per cent) and other ingredients. A country of origin statement or a two-component standard mark label would both be acceptable.

**Made in New Zealand**

 **Made in New Zealand from at least 73% Australian ingredients**

2. A food processor in Fiji dries and packages Australian blueberries and Chinese goji berries in foil packages for retail sale in Australia. The blueberries make up 62 per cent of the ingoing weight of ingredients. In this instance, the food could either carry a 'packed in' text statement that indicates the food is of multiple origins or from imported ingredients or a two-component standard mark:

**Packed in Fiji from multiple origins**

**Packed in Fiji from Australian and Chinese ingredients**

 **Packed in Fiji from at least 62% Australian ingredients**

## Designing and displaying labels

Once a business has determined the appropriate label for its products, it must ensure that the design and use of that label complies with the requirements of the Standard.

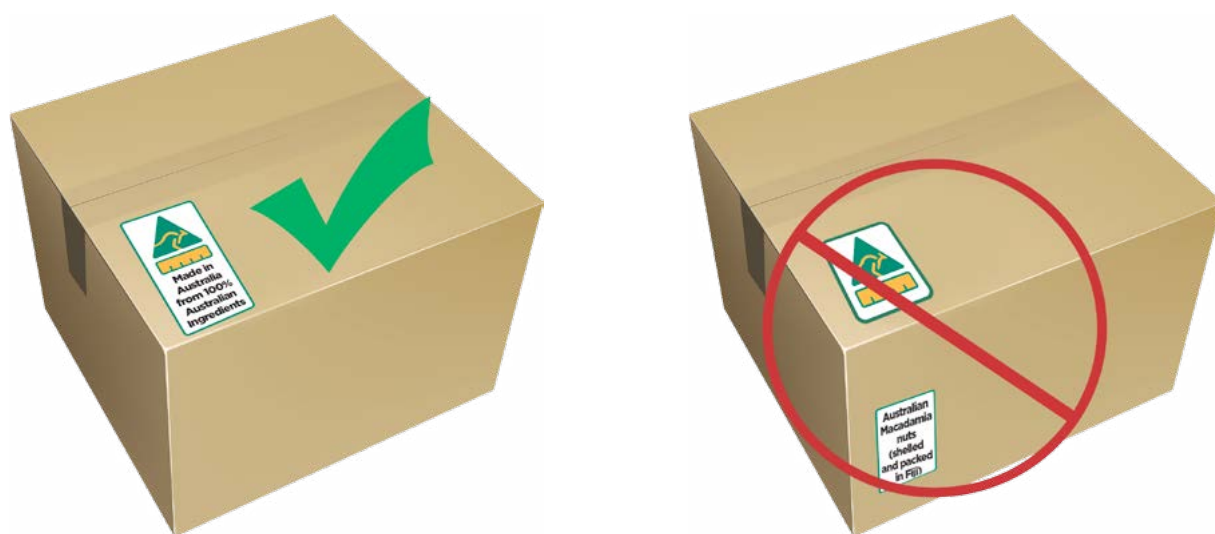
When generating labels, businesses must ensure that the wording is:

- legible
- prominent so as to contrast distinctly with the background of the label, and
- in English. Where another language is also used, the information in that language must not negate or contradict the information in English.

A [downloadable label library](#) and [Style Guide](#) is available to assist businesses to design their country of origin food labels, packaging and marketing materials. These resources are available to assist you to comply with the Standard but do not set out rules for how labels must look. In general, the Standard is flexible about how labels look as long as certain minimum requirements are met. For example, labels:

- can be in portrait or landscape
- can appear anywhere on a product's packaging
- can be green and gold with black writing, monochrome or have a transparent background colour (provided there is sufficient contrast and legibility).

When deciding on the placement of country of origin labels, businesses must ensure that labels contain all required components and are displayed as a whole. Label components cannot be split across food packaging, or label displays.



### Looking for further help?

An [online decision tool](#) is available to assist businesses to determine whether they need to display a country of origin label on their food products and to generate downloadable labels. Use of the tool is voluntary and businesses must take care to ensure that, for any labels generated, the business is complying with the Standard regarding the use of that label.



## Packaged food

All packaged foods that are for sale must carry a country of origin label on their packaging. As packaged food may be priority or non-priority, the label may be in the form of a standard mark or a country of origin statement and can be placed anywhere on the product packaging.

## Small packages

Priority foods sold in small packages with a surface area of less than 100 cm<sup>2</sup> are not required to use the kangaroo logo or bar chart on their labels. It will be sufficient for the purposes of the Standard if small packages display the wording of the relevant label in a box on the package.

## Unpackaged food

If a product is unpackaged fish, certain meats, fruit or vegetables (including nuts, spices, herbs, fungi, legumes and seeds), or a mix of any of these foods, the label can be displayed either on, or close to, the product e.g. on a shelf talker, hanging sign or display card. This means that if the label is displayed close to the product, loose items will not need to be individually labelled.

Additional minimum type size requirements apply to unpackaged foods. If the food item is in a refrigerated assisted service display cabinet (e.g. deli cabinet), the text size for the label must be at least five millimetres. In all other circumstances, the text must be at least nine millimetres.

## Fresh fruit and vegetables in transparent packaging

Fresh fruit and vegetables in transparent packaging (e.g. plastic wrap, netting or citrus bags) may be regarded as either packaged or unpackaged foods for the purposes of deciding where to display the country of origin label.

## Online sales

All food covered by the Information Standard that is sold online in Australia must be labelled in accordance with the Information Standard.

The online sale of packaged food will comply with the Information Standard if the food's packaging bears a label in accordance with the requirements of s. 15 of the Standard.

In relation to the sale of fresh fruit and vegetables in transparent packaging (s. 16) or unpackaged meat, fish, fruit and vegetables (s. 17), the Information Standard requires that the food bears a label, or has labelling that accompanies it, or labelling must be displayed in connection with its sale. In relation to *online* sales of such food, the obligation to 'display' a country of origin label will be satisfied if:

- the food, as delivered to the consumer, bears the relevant label
- the food, as delivered to the consumer, is accompanied by the relevant label e.g. on a separate form, or
- the label is visible to the consumer online at the point of sale.

Although the Standard does not require labels to be displayed on webpages featuring food to be sold online, retailers are encouraged to display the appropriate country of origin statement or standard mark on their websites as a service to their customers.

## Making clear and accurate claims

Businesses must be careful when making claims about their products to ensure that they are accurate and truthful.

Under the ACL, it is unlawful for a business to:

- engage in conduct that is misleading or deceptive, or likely to mislead or deceive
- make a representation that is false or misleading, including about the origin of goods.

Businesses should be aware that if they comply with the Standard, but make false or misleading country of origin claims elsewhere on their packaging or in relation to their food product they are likely to contravene the ACL.

### Safe harbours

To provide certainty for businesses making country of origin representations, the ACL sets out a number of defences against claims of misleading or deceptive conduct or false or misleading representations in relation to all goods, including food. These are commonly referred to as the 'safe harbour defences' and they cover representations that goods:

- were grown in a particular country
- are the produce of a particular country
- were made or manufactured in, or otherwise originated in, a particular country
- carry a mark specified in an information standard relating to country of origin.

To claim a safe harbour defence a business will need to meet certain criteria as set out in the ACL. If a business meets the conditions of a safe harbour they will have an automatic defence to allegations that they have contravened the ACL by making that country of origin claim.

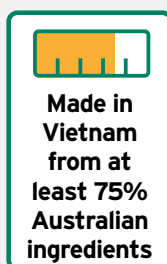
As the Standard sets out detailed conditions regarding country of origin labelling for food products, a business that is fully compliant with the labelling requirements outlined in the Standard is unlikely to engage in conduct, or make representations, that would breach the ACL in relation to that origin claim. Provided you are eligible to make that particular origin claim under the Standard, you will have the benefit of the safe harbour defence for that claim.

Under the ACL, a representation in the form of a 'mark' specified in an information standard relating to country of origin labelling will not be misleading if that mark is used in accordance with the requirements of that information standard.

To date, the only information standard relating to country of origin labelling is the Standard.

A 'Mark' is a reference to the graphic and text based labels that are mandatory for most priority foods sold in Australia (see [page 5](#)).

#### Examples of Marks under the Standard



## Making other claims about your products

A business may choose to provide additional information and make other claims about a product on its packaging. This could include a breakdown of where individual ingredients were grown or produced, a non-country place of origin claim (e.g. 'Made in Byron Bay') or could be unrelated to the origin of the product e.g. a claim about the 'benefits' of the product or a claim about the ownership of the business that made it (e.g. '100% Australian owned').

Businesses are entitled to make additional representations on their packaging label. However, if they do so, they must ensure the representations are accurate, truthful and compliant with the law. Furthermore, any additional claims or representations should not negate or contradict the information contained in the food product's country of origin label.

## Using logos, pictures, colours and symbols

A business may choose to use graphic representations on labels or in advertising (such as logos, symbols, pictures and colours) to promote their food product. Country of origin symbols could include animals, flags, national colours or other famous icons such as:



These representations can be just as forceful and effective as written representations, if not more so. Special care should be taken when using pictorial representations to ensure that they do not give a misleading impression.

If a reasonable conclusion from such symbols is that the origin of the good is a particular country when that is in fact not the case, there is a risk of breaching the ACL. Businesses cannot rely on small print and disclaimers, including country of origin labelling compliant with the Standard, as an excuse for an overall misleading message.

### Example

A product called 'Aussie Bix' is imported into Australia for sale. It is made in Mexico from flour produced in the USA. The packaging has the green and gold colour scheme (which is closely associated with Australian sporting teams), a picture of Australia and a text claim 'Australia's favourite breakfast'.

Although the labelling may be fully compliant with the Standard—the product carries a statement saying 'Made in Mexico from imported ingredients' in small print on the back of the packaging—to a reasonable consumer the overall impression from the packaging is likely to be that the product is made in Australia, when this is not the case. In this instance, the business would likely be in breach of the ACL.

It should be noted that the kangaroo logo and bar chart featured in the Standard can only appear on or in relation to food products sold in Australia if they are used in accordance with the Standard.

### Non-country place of origin claims

Some businesses choose to make additional representations about the origin of their products. For example, a business may make a 'place of origin' claim to indicate that a product originated from a particular place or region. Such information could be included on the label or promotional material, and could include phrases like:

- caught fresh in Tasmania
- the taste of McLaren Vale
- a product of the Yarra Valley

It is important to note that the safe harbour defences only apply to representations about country of origin and not places of origin. If a business chooses to make a place of origin claim about a product, they must ensure that they are truthful and accurate.

### Promotional materials

The Standard is flexible about the use of country of origin labels in promotional and advertising materials. Broadly, labels can be used in advertising (including TV, print and in-store advertisements) provided:

- the information in the marketing materials is consistent with the label on the product
- labels are always associated with the relevant food product, and
- a single label is only used for a group of food products if they share the same percentage of Australian ingredients.

### Substantiating a claim

Where concerns arise about the use of a particular label for a food item, the business may be called upon to substantiate their claim. Businesses should always retain the relevant documents that can assist in validating their country of origin claims.

The Standard requires that businesses keep records supporting a country of origin claim for 12 months after the sale of the food item. While this obligation does not apply to an unpackaged single ingredient food from a single country (e.g. fish, certain meats, fruit or vegetables), a business selling these products may still be called upon to substantiate their claims.

Wholesalers are also subject to record-keeping requirements for all foods sold to purchasers in Australia. Under the Standard, a purchaser can request that a seller provide information about the origin of food or its ingredients to enable the purchaser to comply with requirements under the Standard in relation to on-selling the food to another purchaser or selling another food that uses the food as an ingredient.

Upon request by the ACCC or another ACL regulator, a business will be required to provide any information that they have on hand or are able to access at the time that substantiates their claim.

Records could include information regarding:

- the proportion of Australian ingredients
- contact details of suppliers or distributors
- transaction dates
- batch or lot identification numbers
- volume or quantity of products and
- relevant production records.

## Non-compliance with the ACL

Failure to comply with the Standard is likely to contravene the ACL and expose a party to potential enforcement action by the ACCC.

If a business is compliant with the country of origin labelling requirements of the Standard, they must still ensure that any country of origin representation made by the product, either express or implied, is not false or misleading. Pursuing businesses that engage in misleading or deceptive conduct or make false or misleading representations about their products is a priority for the ACCC.

The maximum financial penalty for a breach of the ACL is \$1.1 million for a body corporate and \$220 000 for a person.

Other orders a court may make include injunctions, compensatory orders and corrective advertising orders. A breach of the ACL may also result in third parties who have suffered loss or damage taking legal action.

Upon request by the ACCC or another ACL regulator, a business will be required to provide any information that that they have on hand or are able to access at the time that substantiates their claim.

## Contact us

More information about country of origin labelling is available from the ACCC website, including a series of frequently asked questions. Visit [www.accc.gov.au/cool](http://www.accc.gov.au/cool) for more.

The ACCC's Advertising and selling guide will help businesses to understand their broader ACL obligations when it comes to promoting their goods or services. The guide is available from the ACCC's website: [www.accc.gov.au/publications/advertising-selling](http://www.accc.gov.au/publications/advertising-selling).

Visit [www.accc.gov.au](http://www.accc.gov.au) for more information about your rights and responsibilities.

You can contact the ACCC by using our [small business complaint form](#) or by contacting our small business helpline on 1300 302 021. The ACCC cannot provide legal advice or approve labels. We can only provide guidance about your rights and obligations under the law. You should seek your own independent legal advice to ensure compliance with the Standard and the ACL.

## Email updates

Would you like to keep up with the latest ACCC news and events? The ACCC has a number of free newsletters that you can sign up to. Subscribe online by visiting [www.accc.gov.au/media/subscriptions](http://www.accc.gov.au/media/subscriptions).