



## Country of Origin Food Labelling – FAQs

### Frequently Asked Questions

#### What is changing?

The Country of Origin Labelling (CoOL) for food is changing to give Australian consumers clearer information about where their food comes from.

Under the changes, it is mandatory for most food grown, produced or made in Australia to carry a familiar kangaroo symbol and a bar chart with accompanying text that shows the proportion of Australian ingredients. The rules are also made clearer around when foods can carry a 'Made in' or 'Packed in' statement.

For priority foods, this information must be displayed in a clearly defined box on the label.

#### Why is change needed?

The public have been confused about country of origin labelling for a long time and have been calling for labels to be clearer and more meaningful. Many consumers are interested in not just where something was made or packed, but also how much of the food was grown in Australia.

The purpose of improved country of origin information is to enable consumers to make 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 the government seeks to avoid unnecessary increases in regulatory or production costs for businesses, at the same time, it recognises that it is important to ensure that most consumers get the information they need to make purchasing decisions in line with their personal preferences.

#### When will the labels change?

The reforms commenced on 1 July 2016 and businesses have up to two years (up to 30 June 2018) to transition to the new arrangements. Consumers will progressively see the new labels on products over this period. All stock in trade can see out its shelf life - i.e. stock that was labelled before the end of the transition period in accordance with the country of origin requirements of the Food Standards Code can still be sold.

#### What does it mean for consumers?

Consumers will have clearer information to help them make decisions about what foods they buy.

It means that when customers go shopping, they will see that food made, grown or produced in Australia carries a new label. The new label features the well-known image of a kangaroo in a triangle, plus a bar chart that shows the proportion of Australian ingredients.

Food packed in Australia will show the proportion of Australian ingredients and the labels on food imported into Australia will be easier to find.

#### What does it mean for business?

Businesses may be required to change the country of origin labels on their food products.

The Government has developed a new, online self-assessment tool for business, specifically to help them determine their new labels. Businesses can download their new labels using the tool. There is also a style guide and other information available to help businesses understand the changes.

### **What foods will the new labels 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 or schools.

### **Are the new labels mandatory or voluntary?**

All food for retail sale in Australia requires a country of origin statement. However, there are additional graphic and information requirements mandated for labels for **priority** food products. These elements 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 foods that are **not** on the non-priority food list.

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

The new country of origin labels for most food grown, produced or made in Australia will include new standard statements, the well-known kangaroo in a triangle symbol and bar chart that is easily identifiable. 'Packed in' claims and imported food will also be easier to recognise. Labels will be in an easy to find box.

### **Will there be additional costs to producers to relabel?**

The new labels have been designed to provide consumers with the information they indicated was most important to them, while not imposing excessive regulatory burden on business. The transition period will give business sufficient time to adapt to the new labels and incorporate them into routine label changes.

### **Are the reforms consistent with Australia's international trade obligations?**

The proposed reforms to country of origin labelling comply with Australia's international trade obligations. The Australian Government has consulted with trading partners throughout the development of the reforms and will continue to work closely with them.

### **What will these new reforms mean for Australian food exports?**

Australian food producers exporting their products can use the new domestic label overseas.

Food companies wishing to use the kangaroo logo without the bar chart on their food products for export purposes will need to obtain a licence through Australian Made Campaign Limited (AMCL). Fees and conditions apply.

### **How will imported food need to be labelled?**

The country of origin statement for most imported food (priority foods), is to be placed in a box so that it can more easily be found by consumers.

All food, including imported food, is subject to the new rules that clarify when 'made in' and 'packaged in' statements can be used.

### What changes will be imposed on imported foods at the border?

Australia will continue to apply a risk-based compliance and enforcement scheme for imported food at the border. The Department of Agriculture and Water Resources will continue to inspect food at the border to ensure compliance with all relevant requirements, including origin labelling rules.

### Can the bar chart be used on imported food products to show the proportion of Australian ingredients?

Yes. Food products that have been made overseas, and imported into Australia, using some Australian ingredients, may voluntarily use the bar chart to show the proportion of Australian ingredients used, as long as this information is not false or misleading. The kangaroo symbol cannot be used.

### What is the Government doing to support business to make these changes?

Information about the reforms can be found online at [www.foodlabel.industry.gov.au](http://www.foodlabel.industry.gov.au), and also on [www.business.gov.au/foodlabels](http://www.business.gov.au/foodlabels), which includes information for food manufacturers in Australia, importers and trading partners, to ensure they are aware of the changes in their labelling responsibilities.

An online labelling tool to help businesses determine the country of origin label for their food products is now available from [www.business.gov.au/foodlabels](http://www.business.gov.au/foodlabels).

The Australian Competition and Consumer Commission (ACCC) is also providing guidance materials for business (available from [www.accc.gov.au](http://www.accc.gov.au)).

### What does 'substantial transformation' mean?

For food to be 'Made in' a particular country, it has to undergo its last substantial transformation in that country.

The definition of 'substantial transformation' has been amended through the *Competition and Consumer Amendment (Country of Origin) Act 2017* with effect from 23 February. Details of the Act can be found on the [Federal Register of Legislation](http://www.federalregister.gov) website.

Essentially the Act ensures that the definition of 'substantial transformation' better reflects consumer expectations and international practice. Previously, goods were deemed to be substantially transformed if they underwent a fundamental change in nature, **form or appearance**, such that the goods existing after the change are new and different goods from those existing before the change. The new definition will require finished goods to be wholly obtained in a particular country, or to be fundamentally different from their imported inputs in terms of nature, **identity or essential character**.

The Act, together with revised guidance material, makes it clear that the claim 'Made in' cannot be used where imported ingredients are only subject to minor processes such as slicing, freezing, coating/ crumbing, reconstituting or packing (please see [www.business.gov.au/foodlabels](http://www.business.gov.au/foodlabels) for more information).

*For example: mozzarella cheese made in Australia from ingredients entirely imported from Italy (including milk) could be labelled 'Made in Australia from 0% Australian ingredients', but imported Italian mozzarella cheese that is just shredded and packaged in Australia for resale would have to make a 'Made in Italy' claim.*

### Can the logo still be used on non-food products?

The Australian Made Australian Grown (AMAG) logo for non-food products will continue to be available through a voluntary certification scheme managed by Australian Made Campaign Limited (AMCL). Business will need a licence with AMCL to use the logo on non-food products. Fees and conditions apply. (for more details visit [AMCL's website](http://www.amcl.com.au))