

Country Of Origin Labelling

Is Your Business Compliant?



Topics

- CoOL Information Standard 2016
- Applying the Standard
- Compliance Considerations

CoOL Standard – Important Dates

1 July 2016

- *Country of Origin Information Labelling Standard 2016* commences

- Transition Period

1 July 2018

- Food sold in Australia must be labelled in accordance with the requirements of the standard

Country of Origin Food Labelling Information Standard 2016

Many consumers want to know certain information about the food they purchase, including where it is made, produced or grown.

The country of origin labelling framework aims to ensure that businesses provide consumers with information they want in order to make purchasing decisions in line with their preferences.

CoOL – Australian Consumer Law

The Australian Consumer Law regulates CoOL claims by preventing 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

What the Standard looks like on meat products

Priority foods that are grown, produced or made in Australia will need to be labelled with a 'three part standard mark' label,

The label must include:

- A stylised image of a kangaroo;

- A bar chart showing the proportion of Australian ingredients;

- Descriptive text eg. Made in Australia.



Applying the Standard

The Standard applies to the **retail sale** of food in Australia

A packaged food is **suitable for retail sale** if it could be sold by a business without any further processing, packaging or labelling.



Priority and Non-Priority Foods

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

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

**Under the
standard meat is a
priority food**

Non-priority food items are only required to carry a country of origin text statement.

Exemptions

Various exemptions apply to the standard, Including:

- Export products
- Some unpackaged foods (e.g. unpackaged cheese, bread, pastries or sandwiches)
- Food items sold by restaurants, canteens, schools, caterers or self-catering institutions such as hospitals or prisons or at fund-raising events
- Food products made and packaged on the same premises where it is sold (e.g. sausages made and packed in a butcher's shop)
- Products delivered, packaged and ready for consumption, as ordered by the consumer.
- Foods for medical purposes
- Foods not for human consumption (e.g. pet food)

If a
priority food
is deemed
suitable for retail sale in Australia
it must comply with the standard
unless an
exemption
applies

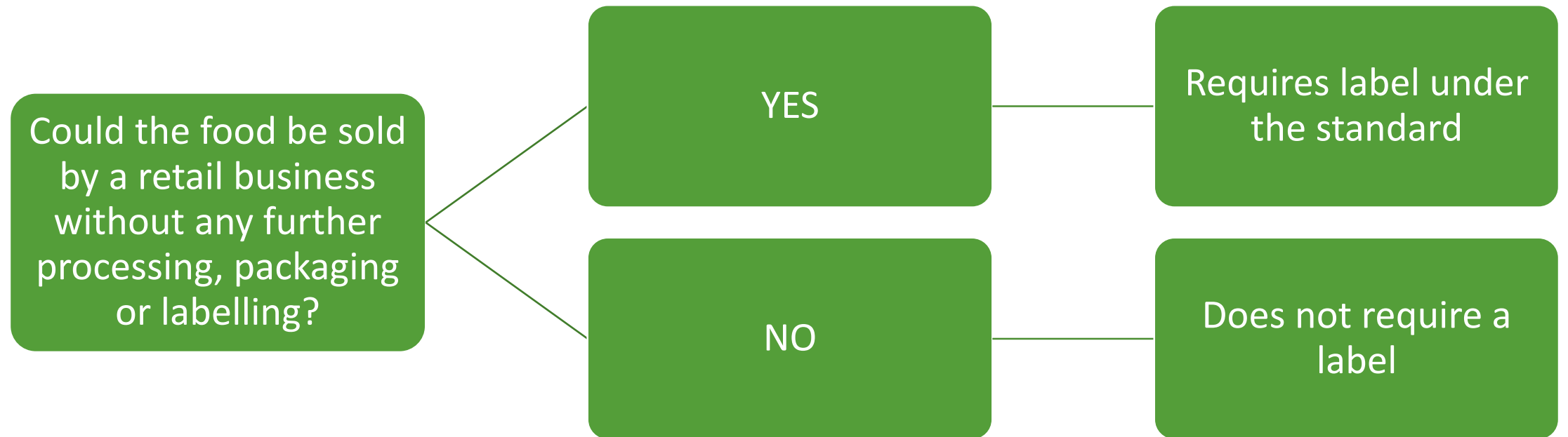
Suitable for Retail Sale

The ACCC defines a food as “suitable for retail sale” if it could be sold by a business without any further processing, packaging or labelling.

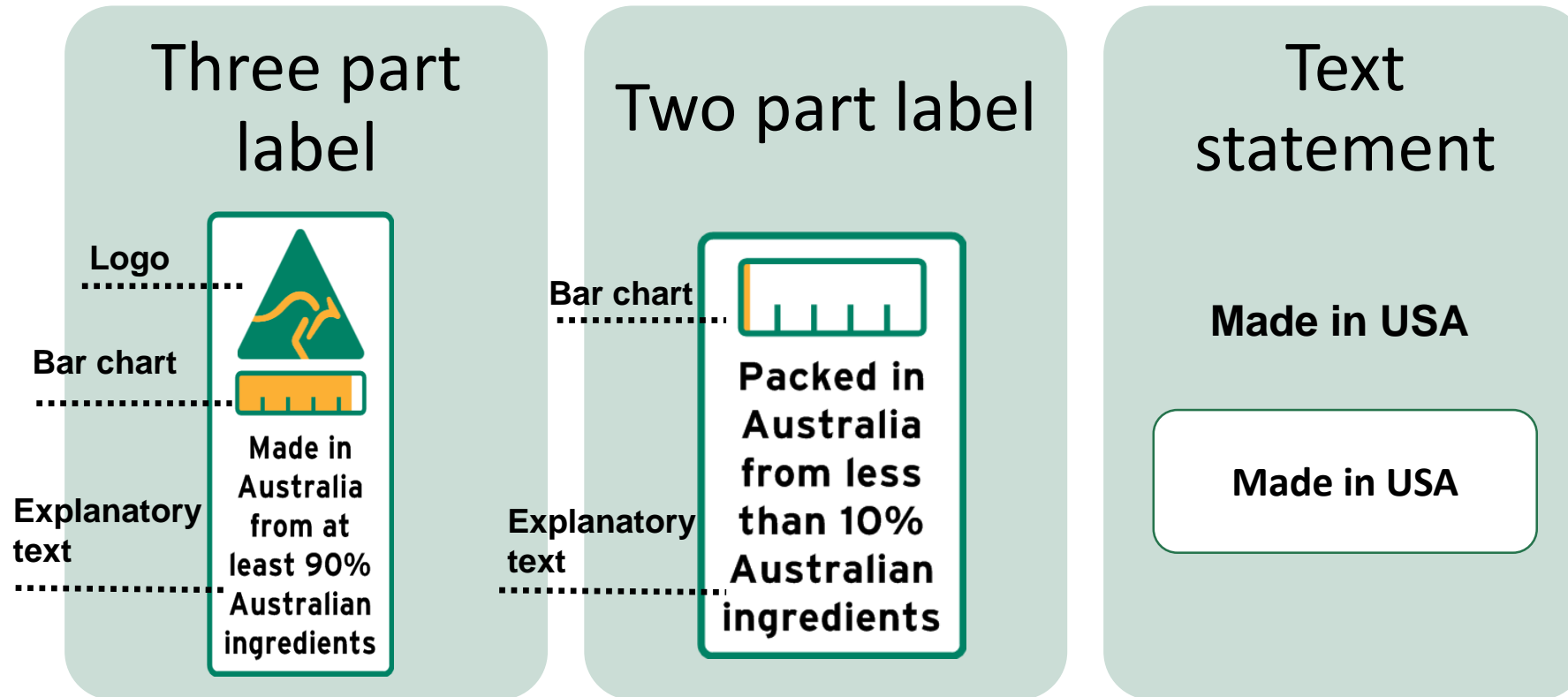
If a food is suitable for retail sale it must comply with the Standard even if it is being sold at the wholesale level.

If a product becomes suitable for retail sale further down the supply chain, suitable commercial agreements should be in place stipulating the requirements for labelling prior to retail sale.

Is a CoOL required?





Three basic label formats



The bar chart

- Indicates the percentage of Australian ingredients
- Always round down
- Must have **20%** incremental markings
- Generally filled in **10%** increments.



Percentage of Australian Ingredients	How the Bar Chart appears
10 – 94.99%	Bar chart shaded to the closest whole decile, rounding down e.g. 20, 30, 40, 50%
95% - 99.99%	Bar chart shaded to 95% 
< 10%	Bar chart shaded to 5% 

Origin Claims – grown, product of or made in Australia



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.

Packaged Meat and Meat Products



The label must be on the product package

The label must be visible to the consumer and legible

Packaged Meat and Meat Products

CoOL labels must be:

- ✓ Legible;
- ✓ Prominent so as to contrast with the background, and
- ✓ In English



A downloadable label library and style guide are available from the ACCC website to assist businesses to design CoOL food labels, packaging and marketing materials

Unpackaged Meat Products



Where required,
labelling must be
displayed in close
proximity to the product
e.g. shelf talker, sign
or flag

Unpackaged Meat Products

Additional minimum type size requirements apply to unpackaged foods.

If the food is in a refrigerated assisted service display cabinet the text must be at least 5mm

In all other circumstances the text must be at least 9mm



What if my product doesn't require a label?

If a meat processing business makes a decision, based on fact, that a product is not suitable for retail sale they still have a responsibility to pass on adequate country of origin information to those down the supply chain to ensure retailers are able to label products correctly.

"All meat is 100% Australian product and is sold on a wholesale basis. Unless indicated, this product is not suitable for retail sale – additional labelling is required by law (e.g. applying a country of origin label prior to retail sale).



Enforcement of the Standard

Responsibility for enforcing the standard is shared between the ACCC and State and Territory fair trading agencies.

Upon request by the ACCC or another Australian consumer 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 CoOL claim.



Substantiating a Claim

Generally the Standard requires business's to keep records supporting a CoOL claim for **12** months after the sale of the food item.

Records could include information regarding:

- The proportion of Australian ingredients
- Contact details of suppliers and distributors
- Transaction dates
- Batch or lot identification numbers
- Relevant production records



Australian Consumer Law Non-compliance

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

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.

CoOL Compliance

A review of the Standard is set for mid 2020.

AMIC, The ACCC and The Department of Industry, Innovation and Science are continuing to recommend business's seek there own legal advice regarding the application of the standard to individual business circumstances.

CoOL – Further information

CoOL Labelling Guide

<https://www.accc.gov.au/publications/country-of-origin-food-labelling>

CoOL FAQ's

<https://www.accc.gov.au/business/advertising-promoting-your-business/country-of-origin-claims/food-labelling-faqs>

CoOL Claims Information

<https://www.accc.gov.au/business/advertising-promoting-your-business/country-of-origin-claims/country-of-origin-food-labelling#more-information>

