



10 February 2020

Competition and Consumer Policy
Ministry of Business, Innovation & Employment
PO Box 1473
WELLINGTON 6140

Email: consumer@mbie.govt.nz

Dear Sir/Madam

Attached are the comments that the New Zealand Food & Grocery Council wishes to present on the ***Exposure draft consultation: Consumer Information Standards (origin of Food) Regulations 2019 – Request for submissions.***

Yours sincerely

Katherine Rich
Chief Executive



Exposure draft consultation: Consumer Information Standards (origin of Food) Regulations 2019 – Request for submissions

Submission by the New Zealand Food & Grocery Council

10 February 2020

NEW ZEALAND FOOD & GROCERY COUNCIL

1. The New Zealand Food & Grocery Council (“NZFGC”) welcomes the opportunity to comment on the ***Exposure draft consultation: Consumer Information Standards (origin of Food) Regulations 2019 – Request for submissions.***
2. NZFGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. This sector generates over \$40 billion in the New Zealand domestic retail food, beverage and grocery products market, and over \$34 billion in export revenue from exports to 195 countries – representing 65% of total good and services exports. Food and beverage manufacturing is the largest manufacturing sector in New Zealand, representing 45% of total manufacturing income. Our members directly or indirectly employ more than 493,000 people – one in five of the workforce.

OVERARCHING COMMENTS

3. NZFGC is largely supportive of the Regulations but suggests some amendments to enhance clarity and understanding in the application of the regulations over time. We also recommend a change in the provision of information around changing supply or multiple sources.
4. In clause 4 *Interpretation*, we recommend adding ‘rice’ and ‘coffee and cocoa beans’ to the exclusions under 4(c) to add clarity and in clause 5 *Meaning of regulated food*, we recommend an amendment so that the intent of the text is clearer in relation to multiple ingredient foods not being regulated foods.
5. Similarly, while Clause 5 specifies that regulated foods are only one type of food, we recommend further detail for the exclusions in Clause 6, *Meaning of fresh*, regarding food additives and minor ingredients. NZFGC supports the processes described in clause 7 *Meaning of minimally processed*.
6. Turning to Part 2 *Information must be disclosed*, we note that where, at the time of supply the origin might have changed or the place of origin is subject to change or there are multiple sources of origin, the proposal is that ALL countries must be listed as alternatives. In our view, this will present a potential conflict with the *Fair Trading Act 1986* and truthfulness of statements. This is not addressed and we recommend MBIE raise this matter with the Commerce Commission and seek an exemption of specificity for country of origin statements in the circumstances described.
7. Country of origin for bacon in particular could be a lengthy list and we again seek the use of recognised regions especially European Union. In our view consumers are more interested in which Asian, Pacific or American country than European Union country. NZFGC supports not needing to supply information disclosed in an advertisement, purchased then collected by the consumer.
8. We are also seeking clarification on Clause 11(3) of food offered or advertised for supply where the food is not located (for example, on an Internet site or by mail-out) in relation to product information on a company website that is not available for direct sale.
9. We support Clause 14 allowing for labelling of different or multiple sources of origin of ingredients but suggest some rewording for clarity and we support clause 15 not needing to supply information disclosed in an advertisement, purchased then collected by the consumer.

DETAILED COMMENTS

10. NZFGC is largely supportive of the Regulations but suggests several amendments to enhance clarity and understanding in the application of the regulations over time.

Part 1 Food that is regulated

Clause 4 Interpretation

11. In clause 4, we recommend adding 'rice' and 'coffee or cocoa beans' to the exclusions under clause 4(c) to add clarity. Clause 4(c) would then read:

"Fruit or vegetable—

(c) excludes all of the following that are not covered by paragraph (b): a nut, seed, legume, or grain, or a herb growing in soil, rice or coffee or cocoa beans".

Clause 5 Meaning of regulated food

12. In clause 5, we recommend an amendment so that the intent of the text is clearer in relation to multiple ingredient foods not being regulated foods. This is to aid food producers with the interpretation of what is a regulated food. By way of example, "frozen minted peas" has one type of vegetable, but two ingredients: peas and mint or mint flavour. To make it clear that multiple ingredient foods are not regulated foods, we recommend amending clause 5(2)(a)(i) so that it reads as follows:

"(2) The types of food are as follows:

(a) Food that—

(i) is only 1 type of fruit or vegetable, fish or seafood, or meat and is only 1 single-ingredient food (with no additional minor ingredients, flavours, colours or food additives (excluding surface treatments)); and".

Clause 6, Meaning of fresh

13. Similarly, while clause 5 specifies that regulated foods are only one type of food, we recommend further detail for the exclusions in clause 6 regarding food additives and minor ingredients. In clause 6(3), to assist food producers with interpretation of what is not fresh or minimally processed, we recommend adding "no added seasoning, flavours, colours, food additives (excluding surface treatments)". Clause 6(3) would then read:

"(3) The following are examples of processing that mean a food is not **fresh**:

...

(j) added seasoning, flavours, colours or food additives (excluding surface treatments)."

Clause 7 Meaning of minimally processed

14. NZFGC supports the inclusion of the several processes described in clause 7 that do not prevent a food from being minimally processed.

Clause 8 Meaning of cured pork

15. NZFGC supports the definitions of *cured pork* in relation to different processed pork products.

Part 2 Information must be disclosed

Clause 11 Disclosure in most cases

16. We seek clarification of Clause 11(3) which reads:

"(3) Subclause (4) applies if the regulated food is offered or advertised for supply where the food is not located (for example, on an Internet site or by mail-out)".

It is unclear if product information on a company website, but not available for direct sale, requires the country of origin disclosure.

Clause 12 Disclosure for change in origin by time of supply

17. We note that where, at the time of supply the origin might have changed or the place of origin is subject to change or there are multiple sources of origin, the proposal is that ALL countries must be listed as alternatives. In our view, this will present a potential conflict with the *Fair Trading Act 1986* and truthfulness of statements. This is not addressed in the Standard and we recommend MBIE raise this matter with the Commerce Commission and seek an exemption of specificity for country of origin statements in the circumstances described.
18. Country of origin for bacon in particular could be a lengthy list and we again seek the use of recognised regions especially European Union. In our view consumers are more interested in which Asian, Pacific or American country than European Union country.

Clause 14 Disclosure if origin differs between and within items of food

19. We support clause 14 allowing for the labelling of different or multiple sources of origin of ingredients. However recommend rewording Clause 14(2)(b) for clarity so that it might read:
- “(2) The origin information of the food— must list the origin information of all parts of all items of the food”
- ...
- (b) must list all the country/ocean origin information for all sources (single or multiple) of all parts of all items of the food.”

Clause 15 No disclosure for supply in accordance with accepted offer

20. NZFGC supports not needing to supply information disclosed in an advertisement, purchased then collected by the consumer.