Ministry for Regulation
Te Manatū Waeture

Product labelling regulatory review

Final report

September 2026

This report contains the independent findings and recommendations arising from the Product Labelling Regulatory Review. In August 2026, Cabinet considered and made decisions on a subset of the recommendations contained in this report.

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Executive summary

Product labels are a useful, and sometimes essential, tool for keeping customers safe and informed.

New Zealand's product labelling system was developed for a world where consumers bought products in person, and relied on information printed on labels. Today, consumers shop online, supply chains span the globe, products evolve rapidly, and people expect access to current information. Regulation has not kept pace with these changes.

In August 2025, the Ministry for Regulation launched the Product Labelling Regulatory Review (the Review). Our view was that reviewing and modernising the requirements could:

- cut compliance costs for businesses
- encourage innovation in how product information is shared
- facilitate trade by better aligning New Zealand's rules with trading partners.

How did we decide our scope?

We sought feedback from industry (regulated parties), consumers, and regulators. Based on this feedback, the review focused on five areas:

1. **Digital labelling**: New Zealand's regulatory framework for product labelling is predominantly focused on physical labels, creating challenges for businesses to adopt digital labelling. During engagement, regulated parties across a range of sectors viewed digital labelling as an area of opportunity to lower compliance costs, support innovation and supply chain traceability.
2. **Food and beverage**: We heard that, while there was significant support from regulated parties about the Joint Food System[1], there were further opportunities for improvements to reduce unnecessary compliance costs, particularly in relation to specific requirements in the Code, Food Safety Australia New Zealand's (FSANZ)[2] current practices and processes, and how the Food Code[3] is implemented.
3. **Supermarkets**: While supermarket competition is influenced by a range of factors, some stakeholders suggested that aspects of the current product labelling framework may increase costs for suppliers and affect how products are brought to market.

[1] The Joint Food System is the cooperative framework under which Australia and New Zealand develop, maintain and administer joint food standards. While food standards are developed jointly, each country retains responsibility for implementing and enforcing those standards, within its own jurisdiction.
[2] Food Standards Australia New Zealand (FSANZ) is the bi-national agency responsible for developing food standards for Australia and New Zealand, including most requirements relating to labelling.
[3] The Food Code is the regulatory instrument that contains the joint food standards.

4. **Over the counter (OTC) medicines**: Regulated parties told us that the current regulatory framework for OTC medicines in New Zealand presents barriers to harmonisation with Australia and other global trading partners. This has led to duplication, increased costs and reduced consumer access. Addressing these gaps has the potential to reduce compliance costs for regulated parties and prevent New Zealand consumers from missing out on OTC medicines available overseas.
5. **Dietary supplements**: Finally, some regulated parties raised issues with the current regulatory framework for dietary supplements, stating that the requirements are outdated and create a barrier to export growth. New Zealand's restrictions on therapeutic claims create compliance costs, cause supply chain delays, and hinder market access.

How did we conduct the review?

We analysed the issues to understand where the regulatory systems were performing well and where there were opportunities for improvement. Our analysis drew on desktop research and further engagement with agencies, industry, and consumer groups. We applied a range of qualitative and quantitative methods, including economic analysis and comparisons with international approaches, to assess the costs and benefits of potential reforms.

In assessing the issues raised during the Review, we asked three key questions:

- Is there a clear rationale for government intervention?
- If so, is regulation the most appropriate response?
- What are the likely costs and benefits of a regulatory response?

What we found

We found that some product labelling regulation is essential to protect consumers and support fair competition, but many of the current systems are complex, unnecessarily prescriptive, outdated and are holding back progress, increasing costs, and limiting innovation.

What we are recommending

We are making 16 recommendations across four areas to modernise product labelling regulation and regulatory practice. These changes will drive cost reduction and incentivise competition and innovation. They will improve outcomes for consumers and businesses.

Our recommended reforms are expected to deliver substantial net benefits. For example, approximately $16 million a year through digital labelling reforms, and a net benefit to New Zealand over 10 years of $166 million from improved competition in the grocery sector. We expect the recommendations in food and beverage and over the counter medicines will also deliver long-term benefits for New Zealand.

The recommendations in this report are designed to make New Zealand's product labelling system more efficient, adaptable, and responsive to changing technologies and consumer needs. They will support innovation and trade while maintaining appropriate consumer protections.

The recommendations have five themes, as outlined in the table below.

Theme	
	**Create a pathway for greater use of digital labelling**
	**Ensure regulatory requirements are proportionate**
	**Reduce unnecessary red tape**
	**Make it easier for New Zealand businesses to trade internationally**
	**Improve communication with consumers and regulated parties**

Theme		What did the review recommend?
Digital labelling		
	1	Develop and publish principles for digital product labelling and clear national guidance
	2	Establish a national framework that connects physical and digital product labels, encouraging interoperable data standards
	3	Enable country of origin and importer / manufacturer details to be provided digitally
Food and beverage labelling		
	4	MPI should fully implement a risk-based regulatory approach for food labelling that goes beyond an enforcement-based response to complaints

	5	Harmonise the approach to enforcement of health claims under the Food Code, including the home jurisdiction rule
	6	Amend the requirement for energy information on alcoholic beverage labels to enable digital options
	7	Implement future changes to labelling requirements under the Code on a regular five-yearly cycle
	8	MPI to publish additional guidance for businesses on how they should meet their product labelling obligations
	9	Pursue mutual recognition of international labelling standards with trusted jurisdictions
	10	Amend the *Consumer Information Standards (Origin of Food) Regulations 2021* to ensure that country of origin markings are clear, prominent and not misleading
Retail grocery competition		
	11	The Ministry and MPI report back to Ministers on lessons learnt from the digital labelling trial including the development of a process for businesses to apply for an exemption
	12	New Zealand to engage with Australia to agree on how departures from the Food Treaty should be approached
Over-the-counter medicine labelling		
	13	Amend the definition of safety container and the size for a small container in the *Medicines Regulations 1984*
	14	Amend Regulation 13(m) of the *Medicines Regulations 1984* to broaden the terms that can be used to describe a batch number
	15	Medsafe to engage with the Australian TGA on its proposal to align Australia's gluten declaration threshold with New Zealand's
	16	The *Medicines Act 1981* and *Medicines Regulations 1984* should be replaced

Part 1: Overview

Chapter 1: Introduction

1. This section of the report outlines the purpose and scope of the Review. It also summarises the Review's process.

Why review product labelling regulations

2. One of the Ministry for Regulation's (the Ministry) functions is to carry out regulatory reviews focused on regulatory issues that are of national importance.
3. Most countries regulate what appears on product labels, which are in place for a range of reasons. Product labelling regulatory systems do not operate in isolation, and they are often informed by the standards established by international bodies that are important for global trade facilitation and alignment.
4. New Zealand has general requirements for product labelling that apply across all products sold in New Zealand. There are also specific regulations about the labels for a wide range of products, which are in place to manage different types of risk. While some of these regulations are fit-for-purpose, many are unnecessarily complex, prescriptive, and fragmented.
5. These factors make it harder to align with the requirements of key trading partners, impose additional costs on importers and exporters, create barriers for businesses trying to enter new markets and limit the adoption of more efficient, flexible or innovative labelling solutions (e.g., QR Codes or other digital labelling solutions).

What we are trying to achieve

6. The purpose of the Review was to identify opportunities to better align our product labelling requirements with global trading partners, encourage innovation in how information is shared, and reduce unnecessary compliance costs for New Zealand businesses. The Review also considered whether New Zealand's regulatory requirements are appropriate and support proportionate risk management and consumer protection objectives.
7. The Review team was conscious of the important role of product labelling in protecting public health, health and safety, and the broader policy objectives underpinning the regulatory systems in scope. The Review team focused on identifying changes that would reduce regulatory burden and costs on businesses, while continuing to support consumers to make safe and informed choices.

Scope of the Review

8. Under the Terms of Reference[4] for the Review, we were directed to focus on:

    - **Food and beverage labelling requirements (including alcoholic and non-alcoholic drinks):** New Zealand is part of a Joint Food System with Australia and pursues alignment with international standards bodies. While regulated parties expressed significant support for this harmonised system, some told us that there are further opportunities for improvements to reduce unnecessary compliance costs.
    - **Supermarket competition, with a focus on product labelling issues**: The Review was directed to evaluate the effects of current product labelling regulations on prospective entrants to the supermarket sector and provide recommendations to remove product labelling barriers and improve retail grocery competition.
    - **Over the counter (OTC) medicines labelling requirements**: Regulated parties have told us that the current regulatory framework for OTC medicines in New Zealand present barriers to harmonisation with Australia and other global trading partners. Labelling requirements, in combination with New Zealand's market size, may mean that some products are not commercially viable in our market.
    - **Dietary supplements labelling requirements, with a focus on barriers to export**: Regulated parties raised issues with the current regulatory framework for dietary supplements, stating that the requirements are outdated and not fit for purpose. Regulated parties told us that the current restrictions on health or therapeutic claims on dietary supplements hinders New Zealand export competitiveness.
    - **Digital labelling**: While global markets are advancing digital labelling standards, New Zealand currently lacks a clear regulatory direction and guidance regarding their use. Regulated parties across a range of sectors viewed digital labelling as an area of opportunity to lower compliance costs and support innovation and supply chain traceability.

9. Several matters were expressly out of scope of the Review:

    - Product labelling requirements relevant to providing official assurances to certify that export requirements are met for market access purposes, matters relating to gene technology, the composition, labelling, or sale of infant formula products, the classification of medicines, approved pack size or supply quantity for OTC medicines, labelling requirements for approved uses of medicines, and product labelling for tobacco, vaping or herbal smoking products.

[4] Ministry for Regulation. (2025, October 6). *Product labelling regulatory review: Terms of Reference*. https://www.regulation.govt.nz/about-us/our-publications/product-labelling-regulatory-review-terms-of-reference/

- Product labelling requirements for hazardous substances as defined under the *Hazardous Substance and New Organisms Act 1996*.
- Product labelling requirements in relation to agricultural compounds and veterinary medicines as defined under the *Agricultural Compounds and Veterinary Medicines Act 1997*.
- Product labelling and information requirements for building products and materials, including the Building (Building Product Information Requirements) Regulations 2022.
- Consumer Information Standards and Product Safety Standards made under the *Fair Trading Act 1986* in relation to clothes, footwear, fabrics, furnishings, children's toys and goods, and used motor vehicles.
- Intellectual property matters such as trademarks, trade dress or design features, except where they intersect with issues of misleading claims under the Fair Trading Act 1986 or the placements of product labelling elements required in law.
- Branding and aesthetic features of labels beyond regulatory compliance.

Process

10. The Review was carried out in two stages:
    - **Stage One: Developing the Terms of Reference:** To refine the scope of the Review, we engaged with those impacted by, and subject to, product labelling requirements via online questionnaires and direct engagement meetings. We sought feedback from a range of regulated parties, including industry groups, and groups representing the specific needs of consumers. We also engaged closely with regulators to understand their perspectives.
    - **Stage Two: Analysis and developing recommendations:** Once the Terms of Reference for the Review were agreed, we analysed the issues within scope to identify where the regulatory systems are working well and where there is room for improvement so we could develop recommendations for Ministers to consider. We worked closely with agencies including MPI, the Ministry of Health (MoH), the Ministry of Business, Innovation, and Employment (MBIE), the Commerce Commission, and the Ministry of Foreign Affairs and Trade (MFAT) to develop the recommendations. We also engaged with industry groups and consumer groups including Coeliac New Zealand, Diabetes New Zealand, Stroke Aotearoa New Zealand, the Heart Foundation and Allergy New Zealand to inform our recommendations.
11. Our analysis was informed by a mixture of desktop research, engagement and qualitative and quantitative methods. This included economic analysis to assess the costs and benefits of our recommendations, and a first principles assessment of product labelling regulations.
12. To answer the Terms of Reference, the Review worked through the following questions:

- **Is there is a rationale for government intervention?** The Review considered whether there is a market failure that justifies government intervention.
- **If there is a rationale for government intervention, is regulation the appropriate response?** The Review looked at whether current government intervention is appropriate.
- **What are the costs and benefits of a regulatory response?** The Review considered the alternatives to current government intervention, and analysed what type and level of intervention from government is proportionate to the risks.
- **Do the regulations represent good regulatory practice?** The Review also assessed individual food and beverage and OTC medicines labelling requirements against the Ministry's Regulatory Quality Assessment Tool to enable key strengths and weaknesses of the specific regulatory requirements to be identified.

The report

13. This report sets out the findings and recommendations of the Review. We have also acknowledged where government intervention is working well.

Engagement with stakeholders

14. Throughout the Report, we have referenced what we heard from stakeholders. We have published a separate report titled *Summary of Engagement Report: Product Labelling Regulatory Review*[5], which can be found on the Ministry for Regulation's website and details the wider range of insights gathered from consultation.

Use of Artificial Intelligence in the Review

15. The Ministry has used Artificial Intelligence (AI) tools to support this review, in line with the Government Chief Digital Officer's Responsible AI Guidance for the Public Service: GenAI. AI was used to support submissions analysis and some aspects of the preparation of this report. The review team have reviewed all content developed using AI tools to ensure it is accurate.

Cabinet decisions

16. This report contains the findings and recommendations arising from the Product Labelling Regulatory Review. In August 2026, Cabinet considered and made decisions on a subset of the recommendations contained in this report. The report is being published in full to provide transparency on the issues examined, the evidence considered, and the broader set of recommendations developed through the Review.

[5] Ministry for Regulation. (2025). *Appendix A: Summary of engagement report: Product labelling regulatory review*. https://www.regulation.govt.nz/assets/Publication-Documents/MFR2025-243-Appendix-A-Summary-of-Engagement-Report-Product-Labelling-Regulatory-Review.pdf

Chapter 2: Economic and regulatory context

Economic framework overview

17. There are strong economic rationales for setting product labelling regulations to address market failures, inform consumer choices, and enhance market efficiency. However, such intervention imposes costs and restricts choice. Consequently, even where there is a clear rationale for intervention, government must ensure that any regulatory response is proportionate to the issue being addressed.

Market failures

Information asymmetry

18. Consumers will often lack detailed information about a product, such as expiry dates, correct dosages, potential adverse health impacts, ingredients, nutritional content and serving sizes, manufacturing practices, country of origin, and sustainability practices unless credible information is provided with a product (such as on a label). The provision of such information can be important for the market to function efficiently, allowing consumers to make informed choices about product quality and alternatives and improving confidence in the market.

19. Where information is valuable to consumers, producers have some incentives to provide it, even if it is not required by regulation. However, such information is less likely to be provided in a consistent, easily understandable, format, because different producers will want to emphasise and obscure different characteristics, diminishing the efficiency of the market. In contrast, regulation can impose a consistent format, which can enable consumers to more easily compare products — an example is the energy star rating that distils complex information about the energy efficiency of an appliance down to a simple numerical scale.

Negative externalities

20. Some products and production approaches have negative impacts on society that are not captured in their prices, leading them to be over-produced and over-consumed relative to the efficient level. Unhealthy and unsafe products impose costs on society through the public health system, the welfare system, and lost productivity. The way that products are produced or manufactured can result in disproportionate environmental harm if the product is produced and sold in above-efficient quantities.

21. Labelling can help reduce these negative externalities by either reducing consumption (such as cigarette warning labels) or changing production methods (such as the Dolphin Safe label for tuna caught without setting nets on or near dolphins[6]).

Behavioural biases

22. Even well-informed consumers can make decisions that are not in their best interests due to behavioural biases and cognitive limitations. For instance, if information is too complex or there is too much, consumers may ignore it. Consumers can be influenced by how information is framed as well as its content. Consumers also tend to:

    - overvalue immediate gratification relative to long term benefits, which can lead to poor consumption choices;
    - overgeneralise from positive or negative claims; and
    - allow their choices to be affected by emotion.

23. Producers are not necessarily incentivised to address these behavioural biases because in many cases, the bias (such as the overvaluation of immediate gratification) could be helping them to sell product. Labelling can make it easier for consumers to make decisions that reflect their own preferences, which enhances market efficiency.

Coordination failure

24. An important market failure is the coordination failure. Left to their own devices, producers are unlikely to use the same labelling standards. When this occurs, consumers are negatively impacted because it is harder (if not impossible) for them to make informed decisions.

25. Private parties are unlikely to resolve this market failure if left to themselves. This is because coordinating with competitors is challenging, particularly when: there are a large number of actors; there are limited incentives to try to do so; and competition laws can create legal risks that the coordination attempt could be characterised as collusion. However, government can address this issue by balancing producer interests against consumer interests and requiring that all products sold meet certain, consistent labelling standards. Government can also enable competitors to coordinate without risking breaches of competition laws.

Other economic drivers of labelling regulations

Protecting consumers' health and safety

[6] The US National Marine Fisheries Service estimated that, in the 1980s, between 80,000 – 100,000 dolphins were being killed each year in the tuna fishery in the Eastern Tropical Pacific Ocean. The Dolphin Safe label was introduced in 1990 and by 2015 this number had fallen to 786 a year. Source: International Marine Mammal Project. (n.d.). *What does dolphin safe mean?* Save Dolphins. https://savedolphins.eii.org/news/what-does-dolphin-safe-mean

26. Providing information on product labels can help protect consumers' health and safety and ensure that products are correctly and safely used. While protection of health and safety is not a market failure itself, it can arise from asymmetric information, behavioural biases, and market power. In some cases, this information will support consumers to get more value from the product or reduce the legal liability of the producer, so is more likely to be provided without regulatory intervention. Other information, including warnings that are designed to reduce consumption, may not be provided without regulatory intervention. This could indicate a stronger case for regulating warnings rather than instructions, although this will depend on the severity of the risk.

Protectionism

27. Labelling can be used to protect domestic producers from competition from imported goods, which can result in lower quality products being available, higher prices, and less choice for consumers. The ability of governments to use product labelling requirements to protect domestic products from competition is constrained by the commitments they have made through trade agreements and at the World Trade Organization. Governments also need to balance protecting consumer interests, such as the right to make informed decisions, greater competition, and lower prices, with domestic producers' interests.

Rationale for government intervention

28. While voluntary labelling can operate in some markets, government intervention is warranted under certain conditions. Mandatory labelling can be optimal when markets underprovide information critical for beneficial choices, such as nutrient content, allergen information, or environmental externalities. Mandated labels often include standardised metrics, testing, certification, and enforcement to ensure credibility and reduce misinformation.

29. Product labels can help internalise information externalities, aligning private consumption with societal objectives such as health improvement or environmental protection. However, economic theory suggests that labels are more effective in information alignment than in fully correcting externalities.

30. There is a need for caution though, because governments can require oversharing of information through labels, creating additional costs that outweigh the benefits to consumers from the information. Government regulation can also be too prescriptive, preventing the market from finding innovative and better ways of informing consumers.

Regulatory context overview

31. The *Fair Trading Act 1986* and the *Consumer Guarantees Act 1993*, are New Zealand's overarching consumer protection laws, prohibiting misleading or deceptive conduct, false representations, and unfair practices. These requirements ensure that product labelling is accurate and not misleading and that products match their labelled description and

perform as expected. New Zealand also has general requirements of what units need to be used when reporting the amount of a product for sale.

32. In addition to the overarching consumer protection laws, there are specific rules that apply to labelling for a range of products. These rules apply to the following types of products:

- food and beverages;
- cosmetics;
- medicines, therapeutical products, and natural health products (including dietary supplements);
- cigarettes, tobacco, and products that contain nicotine;
- chemicals and hazardous substances;
- agricultural products and veterinary medicines;
- building products;
- clothes, shoes, fabrics, and furnishings;
- electronic products;
- vehicles; and
- media and film.

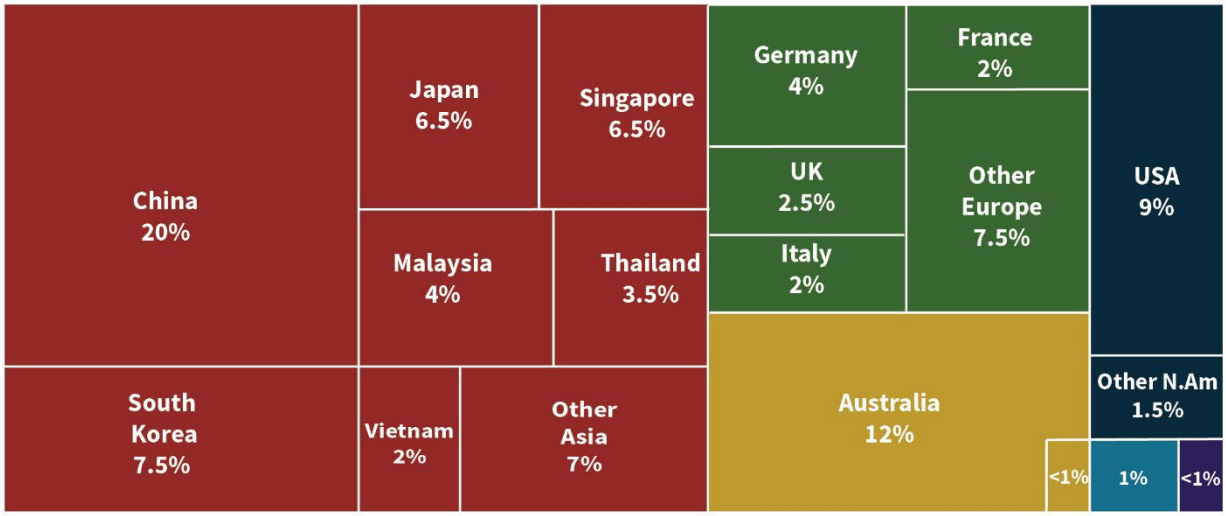
International environment

33. The diversity of our trading relationships means that the most significant trading partner for a specific product may only account for a relatively small proportion of the total value of all imports or exports. For example, Figures 1 and 2 below show treemaps of where New Zealand exports products to and imports products from.

Figure 1: New Zealand exports by destination 2023[7]

[7] The Observatory of Economic Complexity. (2023). *New Zealand exports by destination, 2023* [Treemap]. Observatory of Economic Complexity. https://oec.world/en/visualize/tree_map/hs17/export/nzl/show/all/2023

Figure 2: Sources of New Zealand imports 2023[8]



34. Regulatory alignment with other countries that employ unilateral product labelling requirements may be complicated by the fact that there are generally multiple product labelling models in place in different jurisdictions. This means that exporters must meet a wide variety of product labelling requirements if they export to different markets. Likewise, importers of products into New Zealand must ensure that their imported goods meet New Zealand's labelling requirements, which may require over-labelling or ordering bespoke product packaging from their suppliers.

35. Alignment, harmonisation, and mutual recognition of labelling standards make it easier to sell New Zealand products overseas and import products into New Zealand. Against the benefits, these outcomes require political will and may require considerable effort to achieve[9]. These efforts also engage existing commitments New Zealand has made in various regional free trade agreements and at the World Trade Organization.

36. Benchmarking domestic regulations against international standards can promote innovation by identifying areas where domestic regulations might be unnecessarily restrictive or outdated.

37. A lack of alignment with international standards can create barriers to innovation and reduce the range of products available to New Zealand consumers. New Zealand's product labelling requirements therefore generally seek to align with relevant international standards, particularly in areas affecting international trade, product safety, and public health. These include standards and guidance developed by organisations such as the Codex Alimentarius Commission, the International Organization for Standardization (ISO), and the International Electrotechnical Commission (IEC). Where appropriate, New Zealand also seeks to influence the development of these international standards.

[8] The Observatory of Economic Complexity. (2023). *New Zealand imports by source, 2023* [Treemap]. Observatory of Economic Complexity. https://oec.world/en/visualize/tree_map/hs17/import/nzl/show/all/2023

[9] Trade agreements with new partners generally take several years to negotiate. However, bespoke arrangements with trusted trade partners are considerably more straightforward.

Labelling regulatory requirements address important market failures	
Information asymmetry	Consumers struggle to access essential product information
Negative externalities	Public health, safety, and environmental impacts not reflected in pricing
Behavioural biases	Consumers may process information on labels in ways that lead to choices not in their best interest
Coordination failures	Inconsistent labelling formats reduce comparability and transparency

Part 2: Improving the product labelling regulatory system

Chapter 3: Our analytical approach

38. When assessing the issues and opportunities in relation to product labelling regulations, the Review considered the following questions (among others):
    - What is the rationale for government intervention (i.e., what is the market failure)?
    - If there is a market failure, what is the proportionate response, and should it come from government?
    - What are the costs and benefits of regulation and the distribution of those across different parties?
    - How is the regulation performing, including compared to equivalent regimes in other countries?
    - How well do product labelling regulations support clarity, consistency and ease of compliance for both consumers and businesses, and are there overlapping or duplicative requirements?
    - To what extent do product labelling regulations remain effective and relevant in the face of evolving consumer expectations, technological advancements, and market changes?
39. Our findings and recommendations were informed by key considerations such as:
    - the importance of protecting consumer health and safety and ensuring any proposed changes do not reduce consumers' ability to make safe and informed choices (through mechanisms such as allergen labelling);
    - supporting a level playing field, to ensure fair competition is protected;
    - preserving the integrity of international agreements and arrangements and complying with New Zealand's international trade obligations; and
    - ensuring any proposed changes minimise disruption, costs and implementation challenges for regulated parties.

Chapter 4: Digital labelling

The rationale for regulating

40. While individual businesses may recognise the private benefits of providing digital information, they face a **coordination problem**. Without a common standard for digital labelling, firms risk investing in incompatible systems that undermine the benefits to consumers by making it harder for consumers to make informed decisions. The government can intervene to resolve this market failure by establishing a uniform framework for digital labelling.

41. A second rationale, albeit not relating to market failure, is that government intervention can help **reduce regulatory uncertainty** around digital labelling. At present, businesses are faced with uncertainty and ambiguity over what they can do with digital labels, such as the information that must remain on a physical label and what information can be shifted to a digital label. The government can step in to provide clear leadership.

42. Regulatory uncertainty discourages investment and innovation, as businesses are reticent to incur substantial fixed costs if the legal requirements that underlie their return on those investments are unclear. Government intervention through clarification of the legal framework therefore provides certainty, enabling businesses to confidently integrate digital labels into their products.

Regulatory context

43. New Zealand lacks a clear regulatory framework to support the use of digital labelling. The fragmented and ambiguous nature of the regulatory settings for physical product labels across all sectors creates challenges for businesses that want to adopt modern information delivery methods. This results in increased compliance costs, reduced flexibility for businesses, and discourages innovative approaches to providing product information to consumers.

44. Our analysis shows that most New Zealand regulation does not explicitly prohibit or permit digital labelling. There is no legal barrier preventing businesses from using digital labelling as a tool to provide supplementary information alongside the information that must be provided on a physical label.

45. The *Building (Building Product Information Requirements) Regulations 2022* is an exception that demonstrates the potential for digital labelling as an alternative to

physical labelling. Regulated building product information must be published online on a publicly accessible website or be made available via a QR code. This digital link allows users of building products, including designers, specifiers, builders, and building consent authorities, to access information about how building products meet Building Code requirements. It enables the selection of alternative products during product shortages and contributes to more efficient consenting processes. MBIE provides guidance on how to comply with the requirements to assist manufacturers, wholesalers, retailers, or other distributors of building products[10].

46. Industry stakeholders, including GS1 New Zealand[11] and the New Zealand Food and Grocery Council, have called for regulatory clarity and leadership to support digital labelling adoption. Without reform, New Zealand risks falling behind international trends, limiting innovation and trading opportunities and or having a very fragmented approach.

47. Despite most regulations being silent on digital labelling, some sectors encourage the use of digital labelling for supplementary information. This is often encouraged through guidelines from the regulator, for example MoH (Medsafe), for products that require additional preparation instructions, safety information, or traceability support, such as injectables, multi-dose containers, and complex formulations.

48. In November 2025, the Minister for Food Safety sought feedback on a proposal to trial digital labelling for certain imported food products sold in designated retail stores to improve supermarket competition. If the trial is progressed, approved retailers would temporarily be exempt from needing to relabel the packaging of certain imported food. The aim of the trial would be to see whether it is feasible to shape a future compliance pathway for the use of digital labelling as an adjunct to physical labels.

49. This trial would support a consideration of the proper role of digital labelling in our food system. It will also support a greater understanding of how to best regulate digital labels: from setting the rules through to monitoring and enforcement[12].

International shifts in digital labelling

50. Global markets are advancing digital labelling standards and while uptake of digital labelling is increasing, it is uneven. Jurisdictions such as Australia, the United Kingdom

[10] Ministry of Business, Innovation and Employment. (2023). *Guide to complying with the Building (Building Product Information Requirements) Regulations 2022* (Version 1). Ministry of Business, Innovation and Employment. https://www.building.govt.nz/assets/Uploads/building-code-compliance/certifications-programmes/guidance-complying-with-building-product-information-regulations-2022.pdf
[11] GS1 New Zealand. (2025, August 6). *GS1 New Zealand calls for digital labelling to be considered in review on product labelling*. https://www.gs1nz.org/news/review-on-product-labelling/
[12] Ministry for Primary Industries. (2025, November 20). *Proposal to enable a limited trial of digital labelling on certain imported food products*. https://www.mpi.govt.nz/consultations/proposal-to-enable-a-limited-trial-of-digital-labelling-on-certain-imported-food-products

(UK), the European Union (EU), and China appear to be progressing relatively quickly while other are moving more slowly:

- As part of its submission on the Australian productivity agenda, FSANZ[13] proposed a review to consider digital food labelling reform. In November 2025, joint Australian and New Zealand Food Ministers (Joint Food Ministers) requested that FSANZ undertake a principles-based review of labelling requirements to determine how digital labelling can be incorporated into the labelling and information requirements of the Joint Food System.[14] FSANZ will collaborate with the Food Regulation Standing Committee[15] on this work, with the principles for a framework expected to be developed in 2026.
- In 2024, the UK introduced legislation allowing the voluntary use of digital product labelling for compliance information. Essential safety and consumer information must still be physically present on products or packaging.
- The EU's Digital Product Passports, part of the *Ecodesign for Sustainable Products Regulation*[16], are expected to become mandatory by 2030. All products and components sold in the EU will need detailed lifecycle data, impacting global supply chains.
- In 2025, China announced regulatory changes to permit digital labelling of some mandatory elements on prepackaged food labels, alongside physical labelling (*'GB 7718-2025 – National Food Safety Standard for Labelling of Prepackaged Foods'* and *'2025 NHC/SAMR "Announcement on Matters Related to the Implementation of Digital Labels for Prepackaged Foods'*). As part of this change, the address requirement for the physical label will change to requiring only the county-level address. The change comes into effect in March 2027 but has been implementable from a transition period beginning in September 2025.
- The Australian Government has explored the potential of blockchain technology through the *National Blockchain Roadmap*, which identifies opportunities to improve product traceability, provenance, and supply chain transparency. These

[13] Food Standards Australia New Zealand (FSANZ) is the bi-national agency responsible for developing food standards for Australia and New Zealand, including most requirements relating to labelling.
[14] Food Regulation. (2025, November 14). *Food Ministers' Meeting communiqué – 14 November 2025*. Australian Government Department of Health, Disability and Ageing. https://www.foodregulation.gov.au/food-ministers-meeting-communique-14-november-2025
[15] The Food Regulation Standing Committee (FRSC) comprises senior officials from the agencies that support ministers attending the Food Ministers' Meeting.
[16] European Parliament & Council of the European Union. (2024). *Regulation (EU) 2024/1781 establishing a framework for the setting of ecodesign requirements for sustainable products*. https://eur-lex.europa.eu/eli/reg/2024/1781/oj

approaches may complement the growing use of digital product information and labelling technologies. [17]

- In Southeast Asia, the Association of Southeast Asian Nations (ASEAN) Digital Economy Framework Agreement (DEFA) has concluded negotiations and is expected to become a binding regional accord.[18] DEFA aims to harmonise digital trade rules, support trusted cross-border data flows, and promote interoperability across member states. While its scope includes digital trade and e-commerce, it does not appear to contain specific provisions relating to product labelling standards.

51. International frameworks supporting digital product labelling include *GS1 Digital Link*, which enables web-based access to product information via GS1 identifiers; *ISO 28219*, which specifies requirements for machine-readable labels using barcodes and 2D symbols; and *SmartLabel*, a United States initiative providing detailed consumer product information online. In 2024, Codex Alimentarius also adopted *Guidelines on the use of technology to provide food information in food labelling* (Codex Guidelines) to support the use of technology to provide food information on pre-packaged foods to consumers[19]. MPI co-led the work to develop the Codex Guidelines.

52. Separately, *SmartFacts* is a collaborative industry led initiative by GS1 Australia, GS1 New Zealand, and the Food & Grocery Councils of both countries, designed to harmonise digital labelling across food and grocery products. It provides consumers with instant access to standardised product information, such as nutritional details, allergens, and company data, via GS1-powered QR codes, improving transparency and trust.

Key barriers to, and opportunities for, digital labelling

53. Regulated parties across sectors see digital labelling as an opportunity but also highlight the need to ensure information remains available to all consumers. Internationally, new requirements and practices are emerging, and the New Zealand government has a key role in ensuring that product labelling, whether physical or digital, meets consumer protection standards, supports fair trading, and aligns with international obligations.

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[17] Australian Government, Department of Foreign Affairs and Trade. (2021). *Australia's blockchain roadmap*. https://www.dfat.gov.au/about-us/publications/trade-and-investment/business-envoy-april-2021-digital-trade-edition/australias-blockchain-roadmap

[18] Association of Southeast Asian Nations. (2026, May 29). *The chairperson of the ASEAN SEOM on the conclusion of ASEAN DEFA negotiations* [Press release]. ASEAN. https://asean.org/wp-content/uploads/2026/06/THE-CHAIRPERSON-OF-THE-ASEAN-SEOM-ON-THE-CONCLUSION-OF-ASEAN-DEFA-NEGOTIATIONS.pdf

[19] Codex Alimentarius Commission. (2024). *Guidelines on the use of technology to provide food information in food labelling (CXG 105-2024).* Food and Agriculture Organization of the United Nations (FAO) and World Health Organization (WHO). https://workspace.fao.org/sites/codex/Standards/CXG%20105-2024/CXG_105e.pdf

Findings and recommendations

Finding 1: New Zealand's regulatory framework to enable digital labelling is fragmented and unclear for businesses and regulators, making innovation more difficult

54. Labelling requirements are spread across a wide range of sectors, each with their own sector-specific requirements, with variable definitions of 'label', prescribed formatting and little harmonisation. Most regulations are silent on whether digital labelling is acceptable, creating uncertainty for businesses and regulators. Stakeholders shared through engagement that navigating these requirements is complicated and some feel the need to use labelling professionals to help them navigate the number of regulations.

55. One of the key advantages of digital labelling is the ability to swiftly update product information. This means if a mistake is made or new information becomes available, a digital label can be updated without the resource and environmental costs associated with reprinting a physical label. In addition, regulators and brand owners can respond quickly to safety concerns, such as product recalls, potentially preventing hospitalisations and saving lives.

56. Without a common standard for digital labelling, businesses risk investing in incompatible systems that undermine the benefits to consumers. Where individual businesses are unable or unwilling to coordinate to determine a universal approach, the government can intervene to create an interoperability standard resolving this market failure by establishing a uniform framework for digital labelling.

Using digital formats for product labels in New Zealand

57. The Review team analysed a sample of primary and secondary legislation that contains labelling requirements. As we undertook our analysis it became clear that, as well as primary and secondary legislation, many product labelling requirements are also in Standards.

58. A significant amount of work will be necessary to assess all product labelling requirements to determine the information that can be provided using a digital format. We consider that establishing an agreed set of digital labelling principles would be necessary before any further analysis is undertaken to ensure that a consistent approach is taken across all sectors (**Recommendation 1 below**).

59. We assessed the mandatory labelling requirements in the sample against three criteria (listed below) to assess if they could be provided fully digitally/off pack. We would recommend these as a starting point for any digital labelling principles.

- **Safety and immediate access:** Is this content needed at the point of sale or use without connectivity or account access for safety reasons?
- **Externality:** Is there a public health or public interest reason for this information to be immediately available on the physical label?
- **Consumer need:** Would it be unreasonable for a consumer to need to visit another location (such as a QR code) to access this information?

60. We also suggest that as the principles are developed, consideration should be given to how the provision of information via digital solutions impacts on:

    - **Accessibility**: Digital information must be freely accessible to consumers without the need to make an account or download an app and be available on all major operating systems and browsers. Information on the digital label should be presented in a way that addresses the needs of vulnerable groups, as relevant, facilitates access to the information by those groups.
    - **Consumer awareness**: Consumers must be informed about where and how to access the digital information.
    - **Privacy**: Consumers should not have to provide any personal information to access product labels digitally (in addition to not having to create an account or download an app). Businesses will need to carefully consider how to provide product information without any undue collection of personal information.

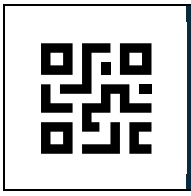
61. The legislation and requirements we reviewed either assume or imply the use of physical labels and do not formally recognise digital formats like QR codes or web links. Even when digital labelling is not explicitly prohibited or prevented, using it may be non-compliant (for example, if specific information is required to be 'on' the container). We did not, however, identify any regulations that prevent businesses from using digital labelling as a supplementary tool alongside a physical label or to provide information that is not regulated.

62. Including a digital link on a label allows the manufacturer to move information off the label into the digital environment. This would allow the manufacturer to reduce the size of its label, saving printing costs, enabling the freed-up space to be used for increasing branding (which can increase product differentiation, allowing the manufacturer to capture more producer surplus) or increasing the size of the mandatory information to improve accessibility for consumers. Stakeholders shared that because regulations or government guidance do not explicitly enable the use of digital labelling, they do not feel confident to adopt it.

63. The lack of clarity inhibits the adoption of digital labelling solutions and stifles innovation. Physical labels have traditionally provided product information to

consumers, but they constrain the amount and type of information that can be provided. This limitation often forces manufacturers to focus solely on meeting regulatory requirements and basic product details. Little room is available for the type of additional or personalised information that consumers increasingly seek, such as multilingual content or details about a product's origins, sustainability, and recycling.

64. Digital labelling may also offer efficiencies for enforcement agencies by allowing the use of automated tools to detect non-compliance.



Recommendation 1: Develop and publish principles for digital product labelling and clear national guidance

65. The transition to digital labelling in New Zealand requires careful consideration of the diverse legislative and regulatory frameworks that govern product information across sectors. We considered whether the Review should recommend that agencies simply amend their own legislation to permit digital solutions for product labelling but identified risks around inconsistent approaches, duplication of effort, diverging technical standards, and potentially higher compliance complexity and costs for businesses.

66. We recommend that, as a first step to mitigate against these risks, the government develop and publish principles for digital labelling. These overarching principles should cover digital equivalence, access to information, accessibility and verification and establish whether certain information may be digital only for non-risk critical content. We recommend that national guidance material is also produced that outlines how businesses, regulators and enforcement agencies can implement or recognise digital labelling solutions (e.g., QR codes, data matrices, web-linked product information) alongside traditional physical labels.

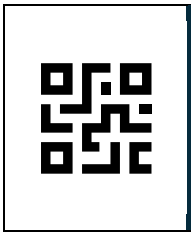
67. The national guidance and principles will be used to create sector-specific guidance, where appropriate, that set out practical enforcement, auditing, and consumer protection measures to encourage and support the wider use of digital labelling.

68. Implementation of this recommendation would provide clarity about the status quo and provide the groundwork to support the implementation of Recommendation 2 below through amendments to legislation and updates to Standards that clearly and consistently permit the use of digital labelling solutions as an alternative to physical labelling. Guidance should: increase industry confidence in adopting digital solutions and foster investment in digital innovation; ensure that labelling requirements remain adaptable and aligned with global best practices; and ensure essential information remains universally available, enhanced by the efficiency and reach of digital options.

69. This chapter's recommendations impact on cross-sector interests and will involve a multi-year programme of coordinated work. We note that any approach to digital labelling must also comply with New Zealand's obligations under:

    - the World Trade Organization;
    - the Food Standards Treaty with Australia; and
    - our free trade agreements, including technical barriers to trade, and sanitary and phytosanitary measures.

70. We recommend that a cross-agency steering group, chaired by MBIE, is established to coordinate and drive the work programme to implement this recommendation.



Recommendation 2: Establish a national framework that connects physical and digital product labels, encouraging interoperable data standards

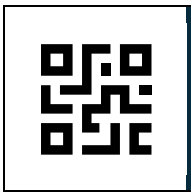
71. Once the government has developed the principles for digital labelling we have recommended as part of Recommendation 1, we recommend that a national framework for interoperability and digital twin systems is developed. This framework would:

    - develop interoperability standards (these standards define how systems, platforms and data formats can work together seamlessly) that are technology neutral).
    - pilot digital twin systems that link physical and digital product information in selected priority areas to test processes, enforcement and consumer access, awareness and trust.
    - design governance, assurance, verification, and data stewardship arrangements for digital labelling.
    - evaluate impacts on consumers (including individuals with a disability) and regulatory enforcement during pilot phases.

72. This recommendation also addresses the barrier to wider adoption of digital labelling caused by the lack of interoperability and inconsistency of the existing approach and supports alignment with emerging international standards. Harmonised definitions within New Zealand's regulatory framework to ensure digital labelling is clearly understood and accepted would also support achieving this outcome.

73. Implementing this recommendation is likely to be technically complex and require considerable agency coordination so we recommend that this is overseen by the

Steering Group. The framework will apply across sectors and inconsistencies with existing legislation will need to be addressed through legislative amendments or sector specific guidance.



Recommendation 3: Enable country of origin and importer / manufacturer details to be provided digitally

74. Our analysis of a sample of product labelling regulatory requirements highlighted that most address the criteria that we identified — safety and immediate need, consumer need and public interest (externalities) reasons. Country of origin disclosures and manufacturer name and address are examples of labelling requirements that are mandated to be on physical labels that could be provided digitally.

75. We recommend that it should not be mandatory to require country of origin and importer/manufacturer address and contact details on a physical label. Within the scope of the Review, we have identified examples where this requirement could be amended to enable the information to be provided via a digital solution:

    - Consumer Information Standards (Origin of Food) Regulations 2021: Regulation (Regulation 10(2)(c)(i))
    - Dietary Supplements Regulations 1985 (Regulation 5(1)(c))
    - *Medicines Regulations 1984* (Regulations 12(4), 13(1)(a), 13(1)(p), 13(8), and 14(1)(a) and (k)).

76. The next step is applying this method to product labelling regimes outside the scope of the Review to fully achieve the potential benefits from greater use of digital solutions. The Review team assessed a small number of regulations and Standards for sectors outside the scope of the Review and identified the following requirements where a digital-only option could be provided:

    - Hazardous Substances (Labelling) Notice 2017 (Clause 9)
    - Consumer Information Standards (Country or Territory of Origin (Clothing and Footwear) Labelling) Regulations 1992 (Regulation 3)
    - Water efficient products – Rating and labelling Standard (AS/NZS 6400:2016)
        - Clause 2.1: WELS license number.
        - Clause 2.5.2(a): Registered company name.
        - Clause 2.5.4.3: Additional information.
        - Clause 2.5.4.4(b): Registered model name on packaging.

- Clause 8.3.1: Program name.
- Clause 9.4.1: Program name.

77. We identified further priority areas for the Steering Group to address, based on our assessment of legislation referencing labelling standards:

- **Clothing**: Clothing labels are required to be presented in a physical format, however many consumers remove these labels. Additionally, existing regulations already permit non-permanent physical labels for many types of clothing product.
- **Textiles**: Permanent labels on most imported textiles, unless exempted, add extra cost and complexity for low-margin items, especially considering global manufacturers are already using digital solutions.
- **Energy Performance**: Mandatory energy rating labels are required to be printed or affixed in specified formats, apply to a broad spectrum of household and commercial electrical products. This regulatory requirement imposes a considerable compliance obligation on manufacturers serving multiple jurisdictions.

Finding 2: New Zealand's regulatory environment for digital labelling needs to keep pace with our trading partners

78. New Zealand risks falling behind the needs and expectations of our major trading partners if we do not take steps to support businesses to increase the use of digital product labels. Misalignment with trading partners could create barriers and introduce compliance burdens for importers and exporters including an increase in costs from having to adopt digital labelling standards for other markets.

79. Stakeholders indicated that businesses seek flexibility, cost reduction, and harmonisation with export markets, all of which are affected by current labelling requirements.

80. Drawing from international comparisons, digital labelling could make it easier for manufacturers to change labels to meet importing countries' requirements (for the aspects present on the digital label). This could help avoid barriers, facilitate smoother trans-Tasman integration and alignment with international markets, and provide New Zealand with the opportunity to be keep pace when international standards are being set.

Finding 3: Digital labelling presents both risk and opportunity for equity and accessibility

81. Digital labelling offers significant opportunities to increase access to information, by allowing for different designs, the ability to zoom in to increase the size of text or have the text read aloud to help consumers with vision or language barriers that might otherwise struggle to read smaller print on physical labels.

82. Digital labels do, however, also present challenges for users with disabilities, lower levels of digital literacy, or material wellbeing. Individuals with visual, mobility, or cognitive impairments may struggle to locate, scan, or interact with digital labels, and those without compatible devices or technological skills could be excluded. For example, 2023 census data suggest that approximately 5–10% of households do not have access to a mobile phone.

83. Digital labels and the regulations supporting their use will need to be designed with accessibility and access to information in mind, such as requiring in-store label readers or alternative access pathways.

Economic benefits

84. The recommendations for digital labelling in this Report will generate $111 million in net benefits, in present value terms over a 10-year period. The quantified benefits include digital labelling allowing manufacturers to move information off labels into the digital environment, saving printing costs, and/or enabling the freed-up space to be used for increasing branding (which both benefits businesses and improves information and matching for consumers).

85. There are also quantified benefits to exporters, through cost savings in label design and printing, by allowing multiple variants to different exporting countries to be shifted to the digital environment.

86. Lastly, benefits include consumer benefits from improved access to information, with digital labels able to be updated immediately once new information emerges or to help consumers with vision or language barriers that might otherwise struggle with smaller print on physical labels. On the other hand, there may also be some information costs, to consumers with poor access to mobile technology. These information benefits and costs have not been quantified. While there are likely to be some costs associated with IT systems and label redesign, overall, the benefits of the digital labelling recommendations are likely to materially outweigh the costs.

Chapter 5: Food and beverage product labelling requirements

The rationale for regulating food and beverage labelling

87. Labelling requirements for food and beverage products contribute to the broader food safety regulatory system. Government intervention is based on the need to correct **information asymmetry** so that consumers are provided with all the information they need about a food or beverage, such as its ingredients, nutritional content, and health impacts. Without regulation, firms may not have an incentive to share this information transparently because they will only want to emphasise the information that shows the advantages of the product. This could prevent consumers making informed choices, jeopardise safety in the case of allergens, and perpetuate unhealthy diets or environmental harm.

88. Food and beverage products can also contribute to **negative externalities**. These products (e.g., alcohol or unhealthy foods) may be sold in quantities above the welfare-maximising level because neither retailers nor consumers internalise the full costs of harm. Even well-informed consumers can make decisions that are not in their best interests due to **behavioural biases**. If information is too complex or there is too much, for example, consumers may ignore it.

Regulatory context

89. Alongside the Trans-Tasman Mutual Recognition Arrangement (TTMRA), the Joint Food System is a cornerstone of economic integration between Australia and New Zealand. The TTMRA allows goods that can be legally sold in New Zealand to be sold in Australia (and vice versa), without needing to meet additional regulatory requirements. The Joint Food System creates a process for New Zealand and Australia to agree on a single set of labelling requirements across both jurisdictions.

The Joint Food System works well

90. The Joint Food System sets the rules for food safety, labelling, and composition in New Zealand and Australia. Compared to other product types — such as cosmetics, therapeutic goods, or household chemicals – food labelling stands out as a model of

successful trans-Tasman alignment. New Zealand participates in the governance of the system, contributes to scientific assessments, and helps shape the development of standards. This means New Zealand can influence outcomes, ensure our interests are represented, and maintain credibility in the international regulatory community.

91. Prior to the establishment of the Joint Food System in 1996, New Zealand and Australia operated separate food regulatory frameworks. This meant that food producers had to meet different standards depending on the destination market, leading to increased compliance costs, delays in product approvals, and potential inconsistencies in food safety outcomes. The lack of harmonisation also created barriers to innovation and limited the ability to respond quickly to emerging food safety issues.

92. The Joint Food System provides net positive benefits for New Zealanders by making it easier for food and beverage businesses in Australia and New Zealand to export products to the other market. This alignment reduces duplication, increases regulatory efficiency, and supports public health outcomes. It also enhances consumer confidence in food products and enables a more streamlined approach to managing emerging food safety risks.

93. Participation in the Joint Food System does, however, require New Zealand to compromise at times and accept requirements that may differ from those it would adopt independently.[20] These compromises are part of the trade-off inherent in joint decision-making, where consensus is sought across jurisdictions with different contexts and consumer expectations however decisions are made by majority vote.

94. There are also inherent constraints on how responsive New Zealand can be to concerns raised by stakeholders because making regulatory change is a more complicated and drawn-out process for issues that are regulated under the Joint Food System. Any proposals from New Zealand to change the Code are considered alongside potential initiatives from Australian jurisdictions, and existing workplan commitments. The Food Regulation Standard Committee (FRSC)[21] and the Implementation Subcommittee for Food Regulation (ISFR)[22] consider these priorities each year when developing their annual workplan.

Findings and recommendations

[20] New Zealand does retain the ability to opt out of specific standards under the Joint Food System, based on defined grounds. This is typically done through a formal Ministerial decision.
[21] FRSC is the committee of senior officials that advises Food Ministers and helps set priorities for changes to the Australia New Zealand Food Standards Code.
[22] ISFR is a committee of senior officials that supports the implementation of food regulation across Australia and New Zealand and helps develop and deliver work programmes for changes to the Australia New Zealand Food Standards Code.

95. While the Joint Food System benefits New Zealand, we have identified issues with the Code and how the Code is enforced. We also consider there may be opportunities for greater alignment with overseas jurisdictions to increase market access (for exporters) and reduce costs to New Zealand consumers.

Improving how the rules are enforced

96. The Food Safety System in New Zealand has a clearly defined 'architecture' based on the food safety regulatory model that defines the roles and responsibilities of key stakeholders.[23] The Review has identified three areas where improvements could be made to enforcement practices.

Finding 4: Regulated parties have insufficient clarity in how MPI applies a risk-based regulatory approach in food labelling

97. MPI applies the "Voluntary, Assisted, Directed, Enforced" (VADE) model when responding to individual complaints.[24] Using the VADE model demonstrates good practice when deciding how best to deal with non-compliance and achieve behaviour change, but there is room to improve to ensure the system is proactively risk-based. MPI's current approach relies disproportionately on complaints, most of which come from competitors, and there is limited evidence that these complaints are assessed against wider system risks or used to trigger thematic or targeted work. This means resources may be directed toward ad-hoc, low-risk issues while higher-impact risks are not systematically identified or addressed[25].

98. Regulated parties also lack a clear picture of how MPI assesses risk in the labelling system and what compliance response to expect for different types of non-compliance. Because different labelling obligations address very different risks — from critical allergen information to formatting — clarity of regulatory priorities is essential for regulated parties. Without this information, regulated parties have to assume everything is high-risk, leading to unnecessary compliance burdens that distort sector behaviour[26]. For example, we heard that businesses will not consider diversifying beyond existing products because of the complexity of labelling requirements and the perceived risk of non-compliance, such as the costs of fixing any non-compliance.

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[23] Ministry for Primary Industries. (2017, October 18). *The New Zealand food safety system and regulatory model: A condensed explanation*. https://www.mpi.govt.nz/dmsdocument/22075-The-New-Zealand-food-safety-system-and-regulatory-model-A-condensed-explanation

[24] Ministry for Primary Industries. (n.d.). *Enforcement of the Food Act 2014*. New Zealand Government. Retrieved August 11, 2026, from https://www.mpi.govt.nz/food-business/running-a-food-business/enforcement-food-act-2014

[25] https://www.oecd.org/en/publications/regulatory-enforcement-and-inspections_9789264208117-en.html.

[26] Black, J., & Baldwin, R. (2010). Really responsive risk-based regulation. *Law & Policy, 32*(2), 181-213. https://doi.org/10.1111/j.1467-9930.2010.00318.x

99. A risk-based approach to compliance monitoring as well as complaint handling is needed to ensure that resources address the greatest risks to food safety, suitability and trade, rather than individual issues. Other New Zealand regulators provide public information about how the VADE model fits into their broad regulatory toolbox, particularly Worksafe[27], and how a risk-based approach does not imply that bad-faith or deliberate non-compliance will be ignored. Further examples of regulatory strategies and compliance and enforcement frameworks in the New Zealand context can be found in the Supplementary Paper for this Chapter.

100. More broadly, the VADE model helps determine how MPI responds to an issue once it is identified, but it does not provide the system-level prioritisation, proactive monitoring, or transparency expected of a modern risk-based regulator.

Recommendation 4: MPI should fully implement a risk-based regulatory approach for food labelling that goes beyond an enforcement-based response to complaints

101. We recommend that MPI should fully implement a risk-based regulatory approach for food labelling that goes beyond an enforcement-based response to complaints[28]. This should be publicly documented through:

- a regulatory strategy for the food safety system; and
- supporting product-labelling-specific documents, including;
- compliance monitoring priorities integrated with a risk analysis framework;
- compliance and enforcement framework;
- internal practice guidance for staff; and
- external guidance for regulated parties.

102. Together, these would explain *how MPI identifies, assesses, and prioritises labelling risks at a system level* and how these priorities shape monitoring, engagement, and enforcement over time.

103. MPI should also complement its complaints process with proactive compliance activity, such as thematic reviews, targeted sampling, and horizon scanning, using insights from multiple sources (notifiers, audits, intelligence, research, and market

[27] WorkSafe New Zealand. (2024, June 7). *WorkSafe strategy*. https://www.worksafe.govt.nz/about-us/who-we-are/worksafe-strategy/

[28] We acknowledge that food labelling represents a part of the enforcement activity MPI undertakes in the food safety system and that implementing a risk-based approach for labelling may have wider implications for the way MPI undertakes food safety enforcement.

data). This would allow MPI to focus resources on the areas of greatest potential harm and provide clearer expectations to regulated parties. The Ministry notes that proactive risk-based monitoring and enforcement should remain proportionate to the level of risk and avoid imposing unnecessary burdens on small businesses.

Finding 5: Enforcement approaches in Australia and New Zealand differ in relation to product labels

104. While requirements under the Code are harmonised with Australia, the approach to enforcement across the various jurisdictions differs. Under the 'home jurisdiction rule', businesses must address labelling issues with their local regulator (MPI in New Zealand). [29] Submitters have shared with us that there is a perception that Australian food regulation authorities tend to take a more flexible approach than MPI does — particularly in relation to health claims.

105. New Zealand has taken the issue of differing enforcement in relation to health claims to the Implementation Subcommittee for Food Regulation (ISFR), however the issue remains unresolved.

Recommendation 5: Harmonise the approach to enforcement of health claims under the Food Code, including the home jurisdiction rule

106. We recommend that New Zealand proposes that either the FRSC or the ISFR[30] undertake a review of the approaches to harmonisation across the jurisdictions enforcing the Code in relation to health claims. This review should be tasked with quantifying the extent of the problem and based on the findings of the review, determine whether the existing approach should be revised with a view to aligning approaches across all jurisdictions. If differences in enforcement of health claims remain, New Zealand should develop a proposal to review the standard, rather than maintain the existing model that does not provide a fair playing field for New Zealand-based businesses.

Improving the usability of the Food Code

107. The complexity and specification of the requirements in the Code, in combination with the way they are communicated and the frequency at which they are changed

[29] Food Regulation Standing Committee. (2018, May). *Home jurisdiction rule (HJR)*. Food Regulation Secretariat. https://www.foodregulation.gov.au/sites/default/files/2023-08/home-jurisdiction-rule.pdf

[30] The IFSR helps to ensure that implementation and enforcement of food standards is consistent.

increases costs on incumbent businesses and can limit the number of new firms or individuals that might otherwise enter the market.

Finding 6: Some of the Food Code's information requirements for product labelling are too prescriptive

108. The Review heard from stakeholders that some labelling requirements are overly prescriptive or are not proportionate to the risk being managed, or do not recognise alternative methods of presenting the information that is intended to be conveyed. Requirements that are inflexible, or disproportionate, add additional unnecessary costs to businesses, which are likely to be passed on to the consumers. They may also act as a barrier to new businesses entering the sector, affecting levels of competition and, in turn, the prices consumers are asked to pay.

109. We assessed the Code's food and beverage labelling requirements using the Ministry's Regulatory Quality Assessment Tool[31] (**Appendix 1**). Examples where the labelling requirements appear to be very specific include: the average energy content on the nutrition information panel must be expressed in not more than 3 significant figures; a physical address must be provided (as opposed to a website that is able to be more easily updated); there must be 3mm of clear space around the pregnancy warning mark; percentages on the ingredients list must be rounded to the nearest whole number (errors may occur when it is rounded up instead of down or vice versa).

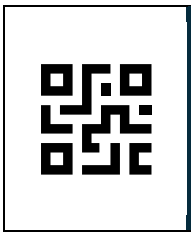
110. Our analysis of other jurisdictions' product labelling requirements indicates that the requirement to provide energy information on alcohol labels is not a common feature in comparable jurisdictions. The only jurisdiction that has similar requirements are the EU, and only for wine, although Ireland requires energy information for all alcoholic drinks.

111. As part of the assessment of the proposal to require energy labelling on alcohol drinks, FSANZ commissioned a randomised control trial with over 2,000 consumers to assess consumer understanding and behavioural intentions with and without energy labelling. The study found that energy labelling did not affect the amount of alcohol

[31] Ministry for Regulation. (2025, August 21). *Regulatory Quality Assessment Tool: Public overview*. https://www.regulation.govt.nz/regulatory-reviews/regulatory-review-framework/regulatory-quality-assessment-tool-public-overview/

beverage consumers intended to consume[32]. This is consistent with another recent study that found that nutritional labelling on alcohol has limited behavioural effects[33].

112. MPI accepts that the Code is prescriptive and told us that, for many businesses, a high level of prescription provides certainty about the requirements that must be met. MPI also told us that too much flexibility may have a counter-productive effect where businesses are unfamiliar with the requirements. MPI should regularly consider whether wider stakeholder engagement, such as regular stakeholder surveys, may provide a broader picture of whether the level of prescription in the Code is appropriate.



Recommendation 6: Amend the requirement for energy information on alcoholic beverage labels to enable digital options

113. We recommend that New Zealand takes a proposal to Joint Food Ministers[34] that the requirement in the Code to provide energy information for alcoholic beverage labels is amended so this information can be provided either on the pack or digitally.

114. An exemption to the requirement to provide this information should also be provided for small-run and seasonal products produced by small businesses. This would also require taking a proposal to Joint Food Ministers.

Finding 7: Changes to the Code's requirements could be implemented more efficiently

115. FSANZ's current model of a rolling series of reviews on various elements of the Code is appropriate for the process of reviewing requirements. Taking a similar rolling approach to implementing the changes following each review has created

[32] Food Standards Australia New Zealand. (2023). *Energy labelling on alcoholic beverages: The effects of various labelling formats on consumer perceptions and behavioural intentions* (P1059 Consumer Research Report). https://www.foodstandards.gov.au/sites/default/files/2023-11/P1059-final-consumer-research-report-2023.pdf.

[33] Eric Robinson, Emma Boyland, Rebecca Evans, Amy Finlay, Lauren Halsall, Gabrielle Humphreys, Tess Langfield, India McFarland-Lesser, Zina Patel, and Andrew Jones. "Energy labelling of alcoholic drinks: An important or inconsequential obesity policy?" *Obesity Science & Practice*, 9(2):75–86, 2023. doi: https://doi.org/10.1002/osp4.638.

[34] This is a group that includes the minister responsible for food safety in each Australian state, and the New Zealand Minister for Food Safety. For current members of this group: Food Regulation. (2025, July 23). *Food Ministers' Meeting members*. https://www.foodregulation.gov.au/activities-committees/food-ministers-meeting/members

implementation issues for producers and retailers, both in terms of efficiency and proportionality of the requirements.

116. Transitional arrangements are specified for each change to the Code — including transition periods to enable existing packaging to be run down, and stock-in-trade provisions. MPI utilises a range of channels to inform businesses about the changes.

117. Feedback from both producers and retailers was that transition periods are often not long enough for supply chains that involve multiple steps and participants who all need to respond to new requirements. This causes inefficiencies, with some businesses indicating that they order less packaging than optimal, to avoid being left with packaging that they would be unable to use, because of uncertainty about future labelling requirements.

118. In addition, frequent changes or changes with short transition periods appear to have a much greater impact on small businesses than larger ones, as the change costs represent a higher proportion of their total costs than they do for larger businesses.

119. We understand that FSANZ may be considering an approach of adopting annual changes to the Code to reduce this burden.

Recommendation 7: Implement future changes to labelling requirements under the Code on a regular five-yearly cycle

120. We recommend that New Zealand proposes that future changes to existing labelling requirements or addition of new requirements to the Code implemented on a regular cycle rather than as each change is approved. We suggest that a five-yearly cycle is an appropriate timeframe for consolidating product labelling changes, except where there is an urgent need for change due to an established risk to human health.

121. Exceptions for out-of-cycle changes should be made only where not-addressing the issue would present a significant risk to human health. Given that current labelling requirements provide a robust basis for managing risks in relation to individual and public health, the relative benefit of making the change out-of-cycle would need to be significant to justify the costs involved in doing so.

122. A regular process with a defined timeframe for implementing amendments to the Code will provide more certainty to regulated parties to enable them to plan for changes and reduce business costs. This also reflects good practice — where a regulatory system involves frequent reviews, it is more common for these to be implemented at standard intervals, so the timeframe is known well in advance.

Finding 8: There is limited guidance or support for businesses in how they should meet product labelling requirements

123. Many businesses find it difficult to:

    - navigate the Code; and
    - feel confident that they have drafted labelling that will be compliant without some level of external assistance — either via a consultant, or an industry body.

124. This issue applies predominantly to small and medium enterprises and is an acute issue for new businesses. The complexity of the labelling requirements in the Code imposes unnecessary additional costs on smaller food manufacturers who have to engage consultants to ensure they meet their obligations. This provides an advantage for those larger, established, businesses that are more likely to have staff dedicated to ensuring compliance with the Code.

125. Stakeholders have provided positive feedback on the work that MPI does to engage with and provide guidance for regulated parties when they do have questions. There is limited support however, such as guidance and templates, to help businesses navigate the complexities of the Code and reduce their compliance costs.

126. The US and Canada, for example, both provide material to assist regulated parties to understand what their obligations are and how they can meet them. The US *Food Labelling Guide*[35] focuses on the most common questions that regulated parties are likely to have and presents the information in logical sections. The Canadian *Industry Labelling Tool*[36] is an online tool that takes a similar approach to the US guide. Both guides also provide direct links to the specific regulations that are being discussed.

Recommendation 8: MPI to publish additional guidance for businesses on how they should meet their product labelling obligations

127. We recommend that MPI prepare and publish guidance to support regulated parties to meet their labelling obligations under the Code. The Code is an 868-page document that businesses can download from the FSANZ website. While it is possible to use word search to find items, some requirements are spread across multiple standards so

[35] Food and Drug Administration. (2013). *Guidance for industry: A food labelling guide*. U.S. Department of Health and Human Services. https://www.fda.gov/media/81606/download.
[36] Canadian Food Inspection Agency. (2025, January 15). *Food labelling for industry*. Government of Canada. https://inspection.canada.ca/en/food-labels/labelling/industry.

additional support should be provided to businesses to support them to comply with their obligations.

Finding 9: Imported food and beverage products require relabelling and over stickering due to differing standards to the Code

128. Many imported products from trusted jurisdictions already deliver the same consumer and safety information, understanding and outcomes that are required by the Code but use a different format or terminology. While the Joint Food System reduces labelling burdens domestically between Australia and New Zealand, there is currently no systematic mechanism to recognise or accept international labelling standards due to legislative constraints under the Code. Any adoption must be preceded by FSANZ's own assessment and public consultation.

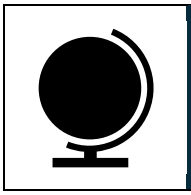
129. There is strong industry support for exploring mutual recognition or regulatory equivalence arrangements with trusted international jurisdictions for food and beverage labelling to reduce duplicative and inconsistent labelling requirements.

130. For overseas manufactured and labelled food, the cost of physical re-labelling or over-labelling can be a barrier to import. For some products, this cost may still be warranted to manage public health risk. In other cases, the public health risk may be lower, and the costs may not be as warranted, particularly where digital solutions are available.

131. These measures could significantly reduce compliance costs, improve market access, and maintain access to accurate product information for consumers, without compromising consumer safety or public health.

International alignment

132. The Joint Food System has limited ability to recognise equivalent overseas standards or overseas labelling systems for imported goods. In November 2025, Joint Food Ministers endorsed FSANZ's draft 2030 *Roadmap* which includes a review to align regulations with trusted international partners.[37]



Recommendation 9: Pursue mutual recognition of international labelling standards with trusted jurisdictions

133. We recommend that New Zealand takes a proposal to Food Ministers that Australia and New Zealand pursue Mutual Recognition Arrangements that cover food and

[37] Food Standards Australia New Zealand. (2026). *FSANZ Roadmap 2030*. https://www.foodstandards.gov.au/sites/default/files/2026-03/FSANZ%20Roadmap%202030.pdf

beverage product labelling with trusted partners. These agreements would establish formal recognition of labelling equivalence, allowing products that meet overseas labelling standards to be accepted in Australia and New Zealand and extending the same benefit to exports from Australia and New Zealand.

134. Establishing formal mutual recognition agreements with trusted jurisdictions offers a comprehensive and strategic solution to the problem of duplicative labelling requirements and would significantly reduce compliance costs, streamlines trade (from an export and import perspective), and ensures clarity and consistency for both regulators and industry. These agreements maintain high consumer protection standards by recognising equivalent labelling (potentially from certain product categories) from partners with robust food safety systems. The Ministry notes that negotiating international trade agreements is a complicated and often time-consuming process and would need other jurisdictions willing to engage with Australia and New Zealand.

135. Our initial analysis of how the Code's labelling requirements compare with some of our trading partners (Figure 3 below) indicates there is scope for mutual recognition based on the commonality of the requirements. This is unsurprising given that the Codex forms the basis of most jurisdictions' regulatory settings.

Figure 3: International comparisons

Key

▮	Other system has a **more onerous** requirement than the Code
=	Other system has a **broadly similar** requirement (specifics may be different, but broadly comparable) compared to the Code
▼	Other system has a **more targeted** requirement than the Code
X	Other system **does not have** this requirement
NA	Not assessed

Component	EU	USA	UK	China	Malaysia	Suriname	Codex	Comment
Name or description	=	=	=	=	=	=	=	Requirements in the Code area similar (but simplified), compared to other jurisdictions.
Lot/batch identification	=	▼	=	=	=	=	=	Required in most similar jurisdictions. In the US the requirement at the federal level is limited to higher risk products, and relates only to internal record-keeping, not to the products needing to have lot/batch information on the label itself.
Name and physical address of business (within that jurisdiction)	=	▼	=	=	=	=	=	Required in other jurisdictions. The USA has an option to not include street address if this information is available in the 'current city directory or telephone directory'.
A statement of ingredients	=	=	=	=	=	=	=	Other jurisdictions have similar requirements.

Nutrition information panel (NIP)	=	=	=	=	▼	▼	=	Other jurisdictions have similar requirements, but each has a different format.
Date marking information[38]	=	▼	=	=	=	=	=	Other jurisdictions have similar requirements. In the US, there is no federal requirement (with the exception of infant formula), but some states require it.
Advisory statements, warning statements and declarations	=	=	=	=	=	=	=	Other jurisdictions have similar requirements.
Storage conditions and directions for use	=	=	=	=	=	=	=	Other jurisdictions have similar requirements.
Information relating to nutrition, health and related claims	=	=	=	=	=	▼	=	Authorisation approaches in other jurisdictions appear to be more efficient and proportionate. For example, in the EU, manufacturers submit a comprehensive dossier of information (i.e., they collate relevant evidence), which the EFSA then evaluates. The EFSA does not undertake a systemic review, but does critically evaluate the evidence provided, and can also consider information it obtains from other sources (e.g., other scientific studies not included in the dossier).
Information about characterising ingredients and	=	=	=	=	=	=	=	Other systems have similar requirements.

[38] For foods with a shelf life of less than 2 years.

characterising components[39]								
Information relating to genetically modified food	▼	▼	=	=	=	X	=	Requirements other jurisdictions appear to be broadly similar, with the following exceptions: (a) minimum thresholds - the USA and EU have thresholds for GE ingredients of >0.9%; (b) alternative modes of providing information - in the US the information can be provided by on-package text, USDA symbol, QR code, or digital link. China has no minimum threshold.
Information relating to irradiated food	=	=	=	=	=	X	=	Other systems have similar requirements.
Information relating to cell-cultured-food	▬	=	▬	X	X	X	=	The EU and UK appear to have more stringent requirements ('cell-cultured foods' is one category within a much larger definition of 'novel foods'); the US has similar requirements to those in Australia/NZ.
Alcohol labelling - number of standard drinks, alcohol by volume %Alc/Vol	=	=	=	=	=	▼	=	Other systems have similar requirements.
Alcohol labelling – pregnancy warning label	See note[40]	▼	▼	=	=	=	NA	Mixed - required in some other jurisdictions but not in others. Some jurisdictions have a more general health warning that includes mentioning pregnancy. China has a general health warning that does not mention pregnancy.

[39] If some or all of the food product's ingredients are printed on the label (in words, pictures, or graphics).
[40] Regulations are set at national level (approximately 50% of EU member states have mandatory requirements).

Alcohol labelling – energy information (3-year transition period to August 2028)	▼ (wine only)	=	=	=	=	=	NA	This is not a common requirement in other jurisdictions. The only jurisdictions that have similar requirements are: (a) EU – for wine only (from Dec 2023) – energy, alcohol content, and allergens required on the bottle; NIP and ingredient list able to be provided on the bottle, online, or via QR code (no marketing content permitted) or web link; (b) Ireland – for all alcoholic drinks (from May 2023 with a three-year transition period).
Ice cream labelling	See note[41]	=	=	=	=	X	NA	Other jurisdictions have similar requirements (i.e., composition is regulated – e.g., minimum level of milk fat, but no requirement to include this information on the product label).

[41] Regulations are set at national level.

Finding 10: Country of Origin labelling requirements should be appropriate and proportionate

136. The *Consumer Information Standards (Origin of Food) Regulations 2021* (Origin Regulations) require country-of-origin (CoO) labelling for specific single-ingredient foods — fruit, vegetables, meat, seafood, and cured pork. The Origin Regulations were required by the *Consumers' Right to Know (Country of Origin of Food) Act 2018*, which resulted from a Member's Bill, and are not regulated under the Code.

137. The regime is intended to improve the information available to consumers, although when the Origin Regulations were developed, both Foodstuffs and Woolworths reported that they already provided voluntary CoO information for single ingredient food including fruit, vegetables, meat and seafood. Stakeholders report confusion about what CoO means in practice and consider that the regulations are overly flexible (leading to multi-country origin labels) and do not support accurate country of origin information.

Recommendation 10: Amend the *Consumer Information Standards (Origin of Food) Regulations 2021* to ensure country of origin markings are clear, prominent and not misleading

138. Parliament's Regulations Review Committee recommended that the government consider amending Regulation 10 of the CoO Regulations to prevent labelling practices that may confuse consumers about the origin of the food they are purchasing[42]. We recommend that MBIE amend Regulation 10 of the CoO Regulations to ensure that CoO markings are clear, and not misleading and, in line with Recommendation 3 in the digital chapter, to enable this information to be provided via both a digital solution and a physical label.

Economic benefits

139. The recommendations in this Report for food and beverage product labelling will create clearer, more proportionate, and internationally aligned labelling requirements. This is likely to reduce unnecessary compliance and labelling costs for businesses.

140. Lower compliance costs can lower barriers to entry and expansion, particularly for small and new firms, which can support competition. It is also likely to improve

[42] Regulations Review Committee (2022*). Compliant about the Consumer Information Standards (Origin of Food) Regulations 2021*. Source: Complaint about the Consumer Information Standards (Origin of Food) Regulations 2021.

certainty for businesses, which can enhance economic efficiency by strengthening incentives for investment and innovation.

141. The recommendations also improve regulatory enforcement, which can result in a more efficient allocation of regulatory resources and reduce the risks of regulatory capture. Overall, the recommendations generate social benefits by lowering compliance costs and supporting more competitive food and beverage markets, while ensuring that public health and safety objectives are not compromised.

Chapter 6: Product labelling regulations impact on retail grocery competition

The rationale for regulation

142. The Commerce Commission has examined the state of competition in the retail grocery sector in New Zealand over recent years. We have used this analysis to assess how product labelling requirements contribute to the state of competition in the sector.

143. New Zealand's grocery retailers source products from both domestic and international suppliers. Fresh produce, dairy, and meat are predominantly sourced locally, while packaged goods, beverages, and household items are often imported. Notably, 99.4 percent of fresh vegetables and 20 percent of fresh fruit sold in supermarkets are domestically produced.[43] Staples such as rice, sugar, coffee, and cereals are primarily imported.

144. The New Zealand retail grocery sector is characterised by a highly concentrated duopoly, with Foodstuffs and Woolworths NZ controlling 82 percent of the market in 2024.[44] Major grocery retailers operate extensive and complex store networks across New Zealand. While Foodstuffs North Island (FSNI) and Foodstuffs South Island (FSSI) are technically separate co-operatives, they operate under a unified brand and do not compete directly in the retail market due to geographic separation.

145. This **market concentration** has led to limited competition, reduced innovation, and elevated prices and profits. Despite recent regulatory reforms and the entry of smaller

[43] United Fresh New Zealand Incorporated. (2025, February 7). *Ratio of imported to domestically produced fruit and vegetables for New Zealand consumption: A brief analysis*. https://unitedfresh.co.nz/news-events/united-fresh-news-feed/ratio-of-imported-to-domestically-produced-fruit-and-vegetables-for-new-zealand-consumption-a-brief-analysis

[44] Commerce Commission, 2025. 2024 Pūrongo ā-Tau mō te Kai – 2024 Annual Grocery Report. https://www.comcom.govt.nz/assets/pdf_file/0028/368047/Annual-Grocery-Report-2024-6-August-2025-.pdf Page 5.

retailers, the combined market share of these major grocery retailers has declined by only 1 percent since 2019 — indicating minimal structural change.[45].

146. This contrasts with other countries. In Australia, the two largest retailers hold 67 percent of the market, while in the UK, no single retailer exceeds 30 percent.[46] The presence of hard discounters like ALDI, Lidl and large grocery retailers who carry a very high proportion of private label products also help constrain pricing power and promote consumer choice overseas. The Commerce Commission's 2022 market study identified several challenges for new entrants and existing retailers looking to expand.[47] This included:

    - difficulties in obtaining competitively priced wholesale supply of grocery products. Lack of wholesale supply appears to be an issue particularly for dry groceries[48].
    - lack of suitable sites for development of retail grocery stores — due to geographic and demographic factors, as well as planning laws.[49]

147. Reflecting continued public concern at high grocery prices, the Government has continued to focus on addressing barriers to effective competition in the sector. MBIE is leading a work programme to progress regulatory improvements targeted at strengthening fair trading and competition legislation, reducing regulatory barriers to market entry and growth, and investigating the costs, benefits and risks of restructuring the incumbent retailers.

Regulatory context

148. Most products sold in grocery stores are food and beverage products and regulated under the Joint Food System. Other products are subject to their own regulatory systems. In some cases, such as products containing hazardous substances, there is an

[45] Commerce Commission, 2025. 2024 Pūrongo ā-Tau mō te Kai – 2024 Annual Grocery Report. https://www.comcom.govt.nz/assets/pdf_file/0028/368047/Annual-Grocery-Report-2024-6-August-2025-.pdf Page 58.
[46] Commerce Commission, 2025. 2024 Pūrongo ā-Tau mō te Kai – 2024 Annual Grocery Report. https://www.comcom.govt.nz/assets/pdf_file/0028/368047/Annual-Grocery-Report-2024-6-August-2025-.pdf Page 63.
[47] Commerce Commission. (2022, March 8). *Market study into the retail grocery sector: Final report*. https://www.comcom.govt.nz/assets/pdf_file/0024/278403/Market-Study-into-the-retail-grocery-sector-Final-report-8-March-2022.pdf
page 7. Other factors identified by the Commission include potential uncertainty, complexity, and delays associated with foreign-owned grocery retailers seeking approvals for overseas investment, current alcohol licensing laws result in differing availability of alcohol in grocery stores, and strategic behaviour from established grocery retailers, such as exclusive supply agreements, which may limit other retailers' ability to access the grocery products they need to compete.
[48] Non-liquid food and household items that are shelf-stable and can be stored at room temperature.
[49] Commerce Commission, 2025. 2024 *Pūrongo ā-Tau mō te Kai – 2024 Annual Grocery Report*. https://www.comcom.govt.nz/assets/pdf_file/0028/368047/Annual-Grocery-Report-2024-6-August-2025-.pdf Page 9.

alternative compliance pathway that recognises the labels of approved international regulators, so those products generally do not need to be relabelled to be sold in New Zealand stores, other than adding the New Zealand importer's information.[50]

Findings and recommendations

Finding 11: Product relabelling can make imported grocery products more expensive as a supply option compared to domestic or Australian sourced products

149. Goods sourced from New Zealand and Australia are labelled appropriately from the beginning due to the Joint Food System. The cost of this labelling is part of production costs, which are incurred by the manufacturer and passed on downstream through wholesale and retail prices. Imported groceries could be an alternative avenue to domestic and Australian supply options but imported products that do not comply with the joint Food Standards System labelling requirements must be relabelled or over-stickered before they can be sold in New Zealand.

150. Relabelling or over-stickering products increases per unit costs, although costs may differ depending on whether the products are individually over-stickered or whether the product packaging itself is changed to comply with joint Foods Standard System requirements. This additional cost also acts as a barrier for international grocery chains with their own supply chains or private label brands that may consider entering the New Zealand market as they would need to repackage or over-sticker their stock to be able to sell it in New Zealand. It also increases costs for grocery retailers who source supply from overseas.

151. Section 343 of the *Food Act 2014* enables the making of regulations that can provide for broad exemptions from the requirements of the *Food Act 2014*. These provisions would enable the digital labelling trial discussed in the Digital Chapter to go ahead if it is progressed. There are, however, no mechanisms that set out how a business could apply for an exemption under section 343 in the future or how MPI or the Minister for Food Safety might consider such an application.

[50] Environmental Protection Authority. (2023). *Hazardous Substances (International Regulators) Notice 2023*. https://www.epa.govt.nz/assets/Uploads/Documents/Hazardous-Substances/Consultation-general/Hazardous-Substances-International-Regulators-Notice-2023.pdf

Finding 12: Removing product relabelling requirements can facilitate improved competition in the grocery retail sector, provided other barriers are also addressed

152. The Commerce Commission market study into the retail grocery sector identified that smaller grocery retailers face difficulties in sourcing a comprehensive range of grocery products at prices that enable them to be competitive. A lack of wholesale supply appears to be an issue for these retailers.

153. One of the reasons for this difficulty is that existing grocery retailers reportedly seek to limit the ability of their suppliers to provide favourable terms to other retailers[51], and due to their buying power, can source supply on more competitive terms. The government has taken steps to address these supply issues by regulating wholesale supply under the *Grocery Competition Act 2023* (the Act) which imposes requirements on major grocery retailers to facilitate commercial supply of groceries. Regulations made under the Act also seek to address the power imbalance the large retailers have over suppliers in the market, including requirements not to hinder suppliers from supplying groceries to other parties.

154. The vertical integration and supply chain efficiencies the major retailers can achieve by controlling wholesale supply and distribution to their stores around the country is a key factor in their price competitiveness. To expand and truly compete with the major retailers, a new entrant or an existing supplier looking to expand would need to be able to offer a 'one-stop shop' where consumers are able to make all their purchases in one place.

155. Importing products from overseas is one avenue for a potential new entrant or an existing retailer looking to expand to overcome difficulties obtaining domestic supply at competitive prices. A new entrant or existing retailer looking to expand would likely need to either be an already well-established international grocery retail chain with its own supply chains (such as Costco) or have some sort of wholesale import arrangement to be able to offer a 'full basket' of imported goods that is both cost effective and allows them to compete at scale.

156. Labelling requirements can be barriers to imports by increasing costs for imported goods, which impacts on competition and prices between incumbents if new entrants (or new products) do not enter the market (or if they only enter in limited geographic areas) because of the additional costs. Addressing relabelling requirements for a

[51] Commerce Commission. (2022, March 8). *Market study into the retail grocery sector: Final report*. https://www.comcom.govt.nz/assets/pdf_file/0024/278403/Market-Study-into-the-retail-grocery-sector-Final-report-8-March-2022.pdf
page 364.

wholesale import arrangement is part of the package of changes that are necessary to address the barriers to entry identified by the Commerce Commission.

157. Reducing labelling costs may make international wholesale supply more cost effective. This, together with the regulated wholesale regime could help to address a lack of wholesale access. This does not address other barriers, such as availability of suitable sites. Nonetheless, assuming that other barriers can be addressed, then addressing relabelling requirements may further reduce the costs of new entry. This would allow an entrant to more easily compete with incumbents, which can result in improved competition.

Recommendation 11: The Ministry and MPI report back to Ministers on lessons learnt from the digital labelling trial including the development of a process for businesses to apply for an exemption

158. We recommend that once the digital labelling trial for lower risk products is completed (expected to be early 2027), the Ministry for Regulation and and MPI provide advice to their Ministers about whether regulations should be made under section 343 of the *Food Act 2014* to enable future new entrants into the retail grocery market to apply for an exemption to the labelling requirements of the Code.

159. Making regulations would enable a process to be set out for applicants to request an exemption under section 343 of the *Food Act 2014* to facilitate a pilot or trial for new labelling approaches. The Regulations would likely need to specify:

- a process for applying for an exemption;
- the information that must be provided to the Minister by an applicant;
- what steps must be followed to assess an exemption application;
- whether the process should be cost-recovered; and
- any additional factors that must be considered by the Minister when assessing an application.

Recommendation 12: New Zealand to engage with Australia to agree on how departures from the Food Treaty should be approached

160. Work is currently underway to modernise key governance frameworks of the Joint Food System, which includes Australia's review of the FSANZ Act and renegotiation of the Food Regulation Agreement among Australia governments.

161. We recommend that New Zealand engages with the Australian Government to consider and agree on a mechanism that allows parties to depart from parts of a standard to undertake pilots/trials of new approaches to areas regulated under the Code to create a regulatory sandbox for the entire system. Any such mechanism would need to be carefully crafted to maintain the integrity of the Joint Food System.

Economic benefits

162. The recommendations in this Report in relation to retail grocery competition will likely reduce a new entrant's costs, allowing it to more effectively compete with the incumbents. We have quantified the net benefit of this as an estimated $166 million in net present value (NPV) terms over 10-years.

163. Our overall net benefit result, of $166 million in NPV over 10 years, should be considered in light of groceries being a significant category of expenditure for all New Zealanders. In the year to June 2025, over $27 billion was spent at supermarket and grocery stores[52]. The Commerce Commission also found in its 2022 market study that competition was not working well in grocery markets, with the incumbents earning excess returns of approximately $430 million per year.

164. When considered relative to the size of the industry, and the current level of competition, we would expect material net benefits from new entry and thus from a regulatory change that facilitated a greater level of new entry. Given also that groceries account for a significant share of household spending, an improvement in competition is likely to deliver substantial gains to consumers.

[52] Stats NZ. (2025, August 25). *Retail trade survey: June 2025 quarter*. https://www.stats.govt.nz/information-releases/retail-trade-survey-june-2025-quarter/

Chapter 7: Over-the-counter medicines

The rationale for regulating over-the-counter medicines

165. The over-the-counter (OTC) medicines market exhibits market failure stemming from **asymmetric information**, where pharmaceutical manufacturers possess more knowledge about active ingredients, side-effects and appropriate dosages than consumers. To maximise profit, manufacturers may also have an incentive to exaggerate the benefits of a medicine. If they believe that downplaying side-effects, inflating recommended doses, or misrepresenting ingredients will increase sales, they may be incentivised to do so.

166. In response, most governments have instituted labelling requirements to mitigate this information asymmetry. However, overly strict labelling regulations risk creating government failures by limiting market entry and competition.

Regulatory context

167. New Zealand's OTC medicines market is characterised by a concentrated number of manufacturers and wholesalers, with a growing number of retailers. The *Medicines Act 1981*[53] is the primary legislation regulating medicines in New Zealand. It defines what constitutes a medicine, sets out requirements for approval, classification, manufacture, sale, distribution, advertising, prescribing, and dispensing, and establishes licensing requirements for manufacturers, wholesalers, and pharmacies. It also provides for post-market controls and enforcement powers.

168. The *Medicines Regulations 1984*, among other things, provide the detailed rules for the labelling of medicines and Medsafe's *Guideline on the Regulation of Therapeutic Products in New Zealand* provides supplemental guidance on operationalising the requirements set out in the *Medicines Act 1981*. The information that must be on a label and placement of that information on the label is set out in the *Medicines Regulations 1984*.

169. Access to OTC medicines makes an important contribution to health promotion and savings. Despite their contribution to health promotion and savings, OTC medicines may be used inappropriately or have adverse effects. OTC medicines are the third most

[53] The Therapeutics Products Act 2023, which was intended to replace the Medicines Act 1981, was repealed in 2024.

common form of substance abuse in Australia[54] and are observed to be 'widely abused' in Canada[55,56]. There is also strong evidence that consumer understanding of OTC medicines is insufficient[57]. Product labelling requirements for OTC medicines help to address information asymmetry by regulating what information is disclosed to consumers.

Findings and recommendations

170. We assessed existing labelling requirements for OTC medicines against the Ministry's Regulatory Quality Assessment Tool (**Appendix 2**) to identify any issues with OTC medicine labelling. We have grouped these issues into two broad findings:

    - **Regulatory alignment**: Areas where greater regulatory alignment with Australia should be considered.
    - **Modernised regulation**: Areas where the existing regulations should be updated and modernised.

We are generally well aligned with Australia

171. We are generally well aligned with Australia's regulatory settings, which is particularly important given our close trade relationship. Compared to Australia, New Zealand's smaller market means that it may not be economically viable to import certain products that are available in Australia so greater alignment enables more products to be imported to New Zealand and reduces costs for products exported to Australia.

172. Where possible, Medsafe and the Australian Therapeutic Goods Administration (TGA) communicate and work together to align their requirements, and where they cannot align work, to accept each other's requirements. Proposals for changes to New Zealand's label statements undergo public consultation and the TGA is typically invited to submit. For example, recently, Medsafe specifically reached out on ocular decongestant, stimulant laxative, and topical corticosteroid consultations for alignment purposes.

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[54] Frei, M. Y., Nielsen, S., Dobbin, M. D. H., & Tobin, C. L. (2010). Serious morbidity associated with misuse of over-the-counter codeine-ibuprofen analgesics: A series of 27 cases. *Medical Journal of Australia, 193*(5), 294-296. https://www.mja.com.au/journal/2010/193/5/serious-morbidity-associated-misuse-over-counter-codeine-ibuprofen-analgesics

[55] Leos-Toro, C., Hammond, D., & Manske, S. (2015). A cross-sectional examination of medicinal substance abuse and use of nonmedicinal substances among Canadian youth: findings from the 2012-2013 Youth Smoking Survey. *CMAJ open*, *3*(4), E387–E394. https://doi.org/10.9778/cmajo.20140094

[56] Shefrin, A. E., & Goldman, R. D. (2009). Use of over-the-counter cough and cold medications in children. *Canadian family physician Medecin de famille canadien*, *55*(11), 1081–1083.

[57] Kebodeaux C. D. (2019). Prescription and over-the-counter medication record integration: A holistic patient-centered approach. *Journal of the American Pharmacists Association : JAPhA*, *59*(2S), S13–S17. https://doi.org/10.1016/j.japh.2018.10.002

173. We have, however, identified four specific areas where greater alignment with Australian regulations could improve New Zealanders' access to OTC medicines without compromising consumer safety.

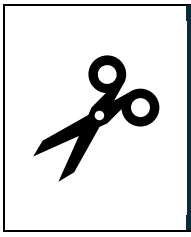
Finding 13: The definition of a small container in the *Medicines Regulations 1984* is not aligned between Australia and New Zealand which impacts on how much information must be included on a label

174. Containers for medicine are sometimes too small to fit all the information required by regulation, so an insert inside the container is considered the appropriate way to provide information. The definition of a small container, however, is different in New Zealand and Australian regulations (20ml in New Zealand and 25ml in Australia).

175. Manufacturers must package the same product differently for the Australian and New Zealand markets. Product registration can also be delayed in New Zealand, and supply chain resilience is reduced where a manufacturer is unable to directly import product from Australia into New Zealand to meet increased demand. This can either increase costs for New Zealand consumers or reduce their access to certain OTC medicines if the size of the New Zealand market does not justify the additional costs associated with supplying a particular product.

Finding 14: Safety container requirements in the *Medicines Regulations 1984* are less flexible in New Zealand than Australia, which means OTC medicines from Australia need to be repackaged for sale in NZ

176. The *Medicines Regulations 1984* require that tablets and other single items intended to be taken orally, must be enclosed in a safety container. Safety containers in New Zealand can only be a blister pack, unless an exemption is granted, while Australia allows for a wider range of safety containers (e.g., a childproof container). In addition to blister packs that met the New Zealand definition generally not being large enough to fit all required information, Australian OTC medicines in safety containers cannot be supplied in New Zealand unless the safety container is a blister strip or an exemption is obtained.



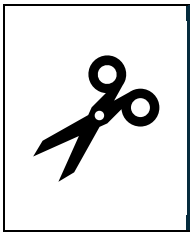
Recommendation 13: Amend the definition of safety container and the size for a small container in the *Medicines Regulations 1984*

177. We recommend that the *Medicines Regulations 1984* are amended to align the definition for a safety container and the size of a small container with Australia's legislative settings:

- **Small container size:** Amend Regulation 15(1)(b)(iii) to increase the minimum volume of a container from 20ml to 25ml.
- **Safety container:** The definition of safety container in Regulation 2 should be amended to specify other containers which may be used safely and the substances that require each. Some medicines would remain as blister strips (i.e., the current definition of a safety container), but other substances such as iron tablets and tricyclic antidepressants may be appropriate for other types of packaging that are child-resistant.

Finding 15: Batch number requirements could be more flexible

178. The information on labels must be specific and use consistent language to ensure that consumers understand what they are ingesting. This information is critical to preventing immediate harm. In some cases, industry terminology or phrasing is used for information that is not as critical and does not need to be prescribed to ensure immediate safety. One of these is batch numbers. The *Medicines Regulations 1984* do not allow for flexibility in how the batch number is presented on labels, which increases costs associated with importing medicines into New Zealand that use slightly different batch number indicators because they must be relabelled or repackaged.



Recommendation 14: Amend Regulation 13(m) of the *Medicines Regulations 1984* to broaden the terms that can be used to describe a batch number

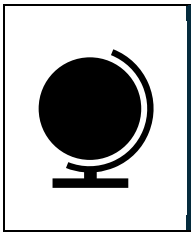
179. We recommend that Regulation 13(m) of the *Medicines Regulations 1984* is amended to include a broader range of terms to indicate a batch number. This could include, but not be limited to, 'BATCH NUMBER', 'BATCH NO.', 'BATCH', 'B', '(B)', 'B/N', 'LOT NUMBER', 'LOT NO.', or 'LOT', or words or symbols to this effect, including a mixture of lower- and upper-case letters.

Finding 16: New Zealand and Australia's threshold for the warning statement on gluten levels in OTC medicines are not aligned

180. Allergen testing is conducted on medications derived from sources of potential allergens to ensure that they comply with legislative requirements[18] to include warning labels for certain ingredients. People with allergies to certain ingredients must know with a very high level of certainty whether the product contains allergens which could harm them. Gluten is one potential allergen that must, in sufficient quantity, be included on a warning label for OTC medicines.

181. Medicines that are derived from gluten-containing sources (for example, wheat) must consider whether a gluten warning is required. A gluten warning is not required if the medicine's ingredients are not derived from a gluten-containing source. The threshold for including a gluten warning label in New Zealand is set at >3 parts per million (ppm). It is 20ppm in some other markets, including Australia and the EU, but consultation in New Zealand revealed that this level of gluten can still produce adverse outcomes for people with coeliac disease. MOH has indicated that it has not received evidence from industry that this impacts many OTC medicines.

182. Submitters have asserted that it is difficult or impossible to get products tested to the 3ppm threshold. If companies cannot test to 3ppm, they can label the medicine as "may contain gluten" or "contains gluten under 20pmm" if the product has been tested to 20ppm. Either of these statements meet New Zealand and Australian regulatory requirements and provide consumers with the information they need to make an informed choice. Manufacturers can also conduct a risk assessment to demonstrate that a product is not likely to contain gluten over 3ppm.



Recommendation 15: Medsafe to engage with the Australian TGA on its proposal to align Australia's gluten declaration threshold with New Zealand's

183. As we were completing the Review (in December 2025), the Australian TGA commenced consultation on a proposal to align Australia's gluten declaration threshold with New Zealand's requirement to declare gluten over 3ppm, which was a positive development. We recommend that Medsafe continues to engage with the Australian TGA on its proposal to align gluten declaration thresholds between Australia and New Zealand to maintain the momentum of the Australian review.

Finding 17: The *Medicines Act 1981* is outdated and prevents adoption of modern labelling methods

184. New Zealand's regulation for OTC medicines is outdated and has not kept pace with changes to the system and technology advances (such as the internet and other digital technologies). The absence of modern and comprehensive regulation makes it slow and cumbersome to update labelling rules, and the lack of regulatory coverage for things like medical devices and 'combination products' limits the ability to establish fit-for-product regulations.

185. A new Medical Products Bill is being developed to replace the *Medicines Act 1981*. The current timeline would see the Bill introduced in 2026, with implementation anticipated to begin in 2030. Once implemented, the Medical Products Bill will enable

changes necessary to improve labelling requirements for all medicines (including OTC medicines) and medical devices.

Recommendation 16: The *Medicines Act 1981* and *Medicines Regulations 1984* should be replaced

186. While we have recommended immediate changes to the existing regulatory regime that will improve OTC medicines product label regulations, the Medicines Act and the Medicines Regulations require overhauling. Work has been underway to replace the Medicines Act since 2014, and a new Bill is planned to be introduced to Parliament in 2026. The Ministry recommends that priority is given to ensuring that the provisions of the new regulation take into account the findings and recommendations of this Report, including the broader recommendations related to digital labelling.

Economic benefits

187. The recommendations in this Report for OTC medicine labelling are intended to align New Zealand's requirements more closely with Australia to lower compliance costs for manufacturers and importers. This can translate into greater product variety and lower prices for consumers, as businesses can more readily transfer products from Australia to New Zealand. This is particularly important for a small market like New Zealand, where scale disadvantages can limit the quality and quantity of products on offer.

188. Enhanced regulatory alignment can also reduce supply chain friction and support timely access to medicines, benefiting consumers from improved accessibility. Overall, the recommendations generate social benefits by lowering costs and enhancing competition in OTC medicine markets.

Chapter 8: Dietary supplements

Overview of issue

189. The main issue facing the natural health sector is that the regulatory frameworks relating to dietary supplements, particularly the *Dietary Supplements Regulations 1985*, are outdated and not fit for purpose. The lack of export exemptions permitting therapeutic claims hinder the sector's growth and performance, making it difficult for New Zealand's natural health products to compete in, or even access, valuable export markets. This regulatory environment is estimated to cost New Zealand millions in lost export revenue each year.

190. Prohibition of therapeutic claims on exported dietary supplements under current regulations puts New Zealand products at a disadvantage compared to international competitors, who can make such claims. In some cases, the inability to make therapeutic claims prevents market access altogether, especially where such claims are required for product registration in importing countries. This situation is particularly problematic because therapeutic claims are a primary driver for consumer purchases of dietary supplements.

191. The sector has sought regulatory amendments to support increased exports of dietary supplements, specifically seeking a blanket exemption from product labelling, composition, and therapeutic claim requirements for export-only products.

Proposed amendments to the Dietary Supplements Regulations 1985

192. The Government has consulted on proposals to exempt export-only dietary supplements from restrictions on therapeutic claims, provided they comply with the importing country's requirements. The proposals are expected to unlock export opportunities, support research and development investment, and incentivise innovation.

193. The proposals directly address the most critical export-related regulatory barriers identified by Natural Health Products New Zealand and the wider natural health products sector, particularly the inability to make health claims for export products. They will also modernise several technical aspects of the dietary supplement regulations.

194. While the *Food (Export Exemptions) Regulations 2025* already exempt dietary supplements for export from certain domestic requirements, they do not address the prohibition on therapeutic claims. The proposed amendments would allow export-only dietary supplements to make therapeutic claims if these are permitted in the destination market. Exporters would be required to keep records demonstrating compliance with importing country regulations. The amendments also (amongst other things) clarify definitions, update maximum daily doses for certain nutrients, modernise ingredient and additive permissions, and improve labelling requirements, including allergen warnings and clearer contact information.

We support MPI's proposal to exempt export-only dietary supplements from restrictions on making therapeutic claims

195. The Ministry supports the overall direction of the proposed amendments which represent an important step in enabling further export growth. The proposed amendments largely reflect the feedback the Ministry heard from industry, particularly in relation to introducing export exemptions for therapeutic claims where products meet importing country requirements.

Appendices

Appendix 1: Assessment of food and beverage product labelling requirements against the principles of good regulatory practice

Definition of principles from regulatory quality assessment tool

Purpose & justification	There's a clear reason for the regulation, and it solves a real-world problem.
Proportionality	The cost of having the regulation is fair considering the benefits that having it brings.
Efficiency	Compliance isn't harder or more expensive than it needs to be.
Adaptability	The regulation can evolve over time.
Enforceability	There are effective, pragmatic ways for the rules to be enforced.
Good practice alignment	The regulation follows international or local good practice.

Key

●	Significant issue
O	Some or possible concerns
•	No issue
NA	Not assessed

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment[58]	Comment	Recommendation reference
Requirements applicable to all food								
Name or description	O	●	●	●	●	●	Unclear that there is a need to regulate for this. While there may be a rationale for having prescribed names for products such as infant formula, it is not clear that this is necessary for very simple products such as white sugar, honey, or jam.	No recommendation for change
Lot/batch identification	●	●	●	●	●	●	Reasonable requirement — necessary for traceability and recall management.	No recommendation for change
Name and physical address of NZ or Australian business	●	⬤	⬤	⬤	●	●	MPI has stated that the purpose of this requirement is to enable the enforcement agency to make rapid contact with the business in the event of a food safety issue, and to enable consumers to contact the business if they have questions in relation to the product. Given this dual purpose, requiring an address appears to be both an inefficient and potentially ineffective approach with the availability of more direct (and common) communication tools such as telephone, email, social media, and websites (which typically include a physical address). In addition, requiring that a business update their labels every time they move premises is not proportionate or justified. There are alternative approaches that would achieve the same policy goal in a more effective, enduring and less costly manner, including enabling this information to be provided via a digital solution.	Recommendation 3
A statement of ingredients	●	●	●	●	●	●	Requirement appears reasonable.	No recommendation for change

[58] Defined in this table as whether the requirement aligns with *Codex Alimentarius*. *Codex Alimentarius* is a set of internationally agreed food standards, developed by the Codex Alimentarius Commission - a joint body of the Food and Agriculture Organization and World Health Organization. https://www.fao.org/fao-who-codexalimentarius.

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment[58]	Comment	Recommendation reference
Nutrition information panel (NIP)	●	O	O	●	O	●	Level of prescription does not appear to match level of risk; the format of the Code makes it difficult for regulated parties to understand what is required, as Nutrition Information Panel (NIP) requirements sit in multiple sections.	No recommendation for change
Requirements where applicable								
Date marking information[59]	●	●	●	●	●	●	Requirement appears reasonable.	No recommendation for change
Advisory statements, warning statements and declarations	●	●	●	●	●	●	Requirement appears reasonable.	No recommendation for change
Storage conditions and directions for use	●	●	●	●	●	●	Requirement appears reasonable.	No recommendation for change
Information relating to nutrition, health and related claims	●	O	O	O	O	●	Regulatory design: Authorisation approaches in other jurisdictions appear to be more efficient and proportionate. For example, in the EU, manufacturers submit a comprehensive dossier of information (i.e., they collate relevant evidence), which the European Food Safety Authority (EFSA) then evaluates. The EFSA does not undertake a systemic review, but does critically evaluate the evidence provided, and can also consider information it obtains from other sources (e.g., other scientific studies not included in the dossier).	Recommendation 5

[59] For foods with a shelf life of less than 2 years.

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment[58]	Comment	Recommendation reference
							Regulatory practice: Some Australian regulators believe the standard cannot be enforced in its current form. This creates an uneven playing field where products from these jurisdictions can be sold in New Zealand but would be subject to enforcement action from MPI if they had been produced in New Zealand.	
Information about characterising ingredients and characterising components[60]	●	●	●	●	●	●	Requirement appears reasonable.	No recommendation for change
Information relating to genetically modified food	●	●	O	●	●	●	Requirement seems broadly reasonable, but there could be benefit in considering settings used in other jurisdictions (e.g., minimum thresholds, providing options for different ways to communicate to customers that a product contains genetically modified ingredients).	No recommendation for change
Information relating to irradiated food	●	●	●	●	●	●	Requirement appears reasonable.	No recommendation for change
Information relating to cell-cultured-food	●	●	●	●	●	●	Requirement appears reasonable.	No recommendation for change
Requirements for specific types of foods, or foods prepared in specific ways								
Alcohol labelling - number of standard drinks,	●	●	●	●	●	NA	Requirement appears reasonable.	No recommendation for change

[60] If some or all of the food product's ingredients are printed on the label (in words, pictures, or graphics).

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment[58]	Comment	Recommendation reference
alcohol by volume %Alc/Vol								
Alcohol labelling – pregnancy warning label	●	O	O	⬤	●	NA	There are some questions in relation to the proportionality, efficiency, and adaptability of the requirement.	No recommendation for change
Alcohol labelling – energy information (3-year transition period to August 2028)	⬤	⬤	⬤	⬤	●	NA	Based on available evidence the link between this requirement and the behaviour change it is seeking to encourage is unclear, creating issues in relation to purpose/justification, and proportionality. It is also problematic that there are no pathways for exemption for small-run or seasonal products. The requirement that the information be provided on the product makes it considerably less flexible than if it could be provided electronically.	Recommendation 6
Ice cream labelling	●	●	●	●	O	TBC	Approach is similar to other jurisdictions.	No recommendation for change
Country of origin markings	●	●	●	O	●	●	The *Consumer Information Standards (Origin of Food) Regulations 2021* pursue a legitimate transparency interest by ensuring consumers have access to origin information at the point of purchase. The framework delivers a recognisable information benefit for consumers who value provenance in purchasing decisions. There are some concerns in relation to adaptability. A key issue is the outcome-based drafting of Regulation 10, which requires origin information to be provided in "clear and legible text" with a "clear connection" to the food item. While this provides flexibility, it also results in inconsistent and confusing disclosure practices that affects the accuracy of information that is comprehended by consumers (i.e., increases the risk of misrepresentation by origin information).	Recommendations 3 and 10

Appendix 2: Assessment of over-the-counter medicine product labelling requirements against the principles of good regulatory practice

Definition of principles from regulatory quality assessment tool

Purpose & justification	There's a clear reason for the regulation, and it solves a real-world problem.
Proportionality	The cost of having the regulation is fair considering the benefits that having it brings.
Efficiency	Compliance isn't harder or more expensive than it needs to be.
Adaptability	The regulation can evolve over time.
Enforceability	There are effective, pragmatic ways for the rules to be enforced.
Good practice alignment	The regulation follows international or local good practice.

Key

●	Significant issue
O	Some or possible concerns
•	No issue
NA	Not assessed

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment	Comment	Recommendation reference
Trade name/ appropriate designation	●	●	●	●	●	O	New Zealand is more permissive regarding umbrella segments than some other jurisdictions. This could mean products made here using this format require a label change before they are exported.	No recommendation for change
Active ingredient	●	●	●	●	●	O	Most other similar jurisdictions include inactive ingredients in addition to active ones. It may be more beneficial to align with other jurisdictions.	No recommendation for change
Strength of each active ingredient	●	●	●	●	●	●		No recommendation for change
Description of the medicine (dose form, presentation)	●	●	●	●	●	●		No recommendation for change
Contents (net weight, volume, count)	●	●	●	●	●	●		No recommendation for change
Designation of medicine type (e.g., restricted, pharmacy-only)	●	●	●	O	●	●	This regulation could change over time if additional classifications are added or adapted, but it is still fairly unlikely in the short to medium term, as the current categories have been developed with extensive consultation.	No recommendation for change
Warning statements	●	●	●	●	●	⬤	Australia is consulting on aligning with NZ, as NZ settings may better protect people with coeliac disease.	No recommendation for change

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment	Comment	Recommendation reference
Purpose of medicine	●	●	●	●	●	●		No recommendation for change
Directions for use	●	●	●	●	●	●		No recommendation for change
Batch number	●	●	●	O	●	●	Some additional flexibility could be allowed in ways the batch number can be indicated on the packet if "words of a similar meaning" were included in this clause.	Recommendation 14
Use by date	●	●	●	●	●	●		No recommendation for change
Storage conditions	●	●	●	●	●	●		No recommendation for change
Name and address of manufacturer / owner / agent / seller	●	●	O	O	●	●	It may be more efficient to have a different contact pathway for the manufacturer to a physical address. As modes of communicating with companies evolve, it may be necessary for this requirement to be more flexible and future-proofed. It is important to have multiple pathways in place in case of adverse reactions to support any recalls or emergent safety concerns.	Recommendation 3
Injections — nature and amount of preservative	●	●	●	O	●	⬤	It does not apply to many products (but it cannot be ruled out as applying to some OTC medicines) because current international guidelines discourage the use of preservatives and antiseptics in injectable products as they can pose a safety risk for some patients, hence these transparency	No recommendation for change

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment	Comment	Recommendation reference
							requirements. The Regulations do not align with most overseas regulations, apart from Australia. Other jurisdictions require the declaration of all ingredients.	
Biochemical preparations — potency statement and nature and amount of preservative	●	●	●	O	●	⬤	The regulations do not align with most overseas regulations, apart from Australia. Other jurisdictions require the declaration of all ingredients.	No recommendation for change
Separate information sheets for small containers	●	●	O	O	●	⬤	A physical leaflet is the most accessible option for those without access or who may have difficulty accessing digital resources. It may be possible to place some information from a leaflet into a digital resource. There may be benefits to moving the container size limits into a more adaptable legislative device. It would be best to align our container size legislation with Australia as there are no safety concerns with the slight increase in quantity and it would mean Australian imported products would no longer require an exemption to be used here.	Recommendation 13
Exemptions from 13 and 14 (safety containers)	●	●	●	O	●	●	As new types of medicines or containers are developed, it may be necessary to add additional exemptions. The current Regulatory framework is not as adaptable as it could be, and it may be possible to move this information into guidelines incorporated by reference.	Recommendation 13

Component	Purpose & justification	Proportionality	Efficiency	Adaptability	Enforceability	Good practice alignment	Comment	Recommendation reference
Labels on containers sold by authorised prescribers or pharmacists	●	●	●	●	●	●		No recommendation for change

Appendix 3: Glossary of key terms and abbreviations

Access: refers to the ability to obtain or reach something, such as market entry or general availability of information. In this context, it relates to enabling businesses and consumers to easily engage with products, services, and data.

Accessibility: refers to the design and provision of products, services, and information so that they can be used by people with disabilities. This includes ensuring equal access regardless of physical, sensory, or cognitive needs. This does not mean general access to the internet or technology.

Code: The Australia New Zealand Food Standards Code.

Digital labelling: refers to the use of electronic or online formats to present product information that would traditionally be printed on packaging or labels. This includes regulatory, safety, and consumer information delivered through:

- QR codes or barcodes linking to online content.
- Embedded information accessible via device screens.
- Web-based platforms or mobile applications.
- Digital documentation accompanying products.

Digital Link: a standardised way to embed product identifiers in a scannable code, usually a QR code, that connects physical products to dynamic online information.

Digital twin: refers to a virtual representation of a product that mirrors the physical product in real time.

Essential information: refers to the product details that must appear on physical packaging.

Fragmentation: the lack of a unified or coordinated framework, where different regulators or sectors adopt varied approaches and systems. In the context of digital labelling, fragmentation means that regulatory arrangements and practices are split across agencies, resulting in a patchwork of requirements, inconsistent adoption of digital tools, and increased complexity for businesses and consumers.

ISO/IEC 18975:2024: an international standard that provides a global framework for encoding and resolving product identifiers over the internet, enabling traditional identifiers such as barcodes to function as web links for accessing detailed product information online.

Joint Food System: is the Australia New Zealand Joint Food Standards Regulation System, which harmonises food composition and labelling standards and allows cooperation on matters relating to food regulation.

Market failure: the situation where the allocation of goods and services under an unregulated market does not maximise the overall welfare of society. The presence of a market failure does not necessarily mean the government should intervene because government intervention is also imperfect.

Over-the-counter (OTC) medicines: are medicines that can be purchased directly by consumers without a prescription and are designed to treat minor ailments and conditions that individuals can recognise and manage themselves.

Product labelling: for the purposes of this Review, product labelling refers to the information on a product's packaging or the product itself to communicate essential or supplementary information about the product to consumers, regulator, and supply chain stakeholders.

Regulated party / parties: a person or organisation that must comply with the laws, regulatory requirements and societal expectations of behaviour. In the context of product labelling, this can include product manufacturers, exporters, importers or retailers, who need to ensure their products are correctly labelled according to the rules of the country they are sold in.

Regulation: an Act of Parliament or any secondary legislation.

Regulatory alignment: where jurisdictions adjust regulations to be compatible or consistent with others, often to facilitate trade.

Regulatory harmonisation: where jurisdictions agree to adopt similar or identical standards, often through regional or international agreements (e.g., *Australia New Zealand Food Standards Code*).

Supplementary information: product details provided through a digital label that go beyond essential on-pack requirements, such as allergens, expiry dates, and safety warnings. More examples include sourcing information, sustainability credentials, extended nutritional data, or promotional content.