

SUBMISSION ON

Proposal to enable a limited trial of digital labelling on certain imported food products

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To: Food Policy Team, Ministry for Primary Industries

Name of Submitter: Horticulture New Zealand

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OVERVIEW

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Our submission

Horticulture New Zealand (HortNZ) thanks the Ministry for Primary Industries for the opportunity to submit on the proposal to allow a digital labelling trial on certain imported products and welcomes any opportunity to continue to work with the Ministry and to discuss our submission.

HortNZ's Role

Background to HortNZ

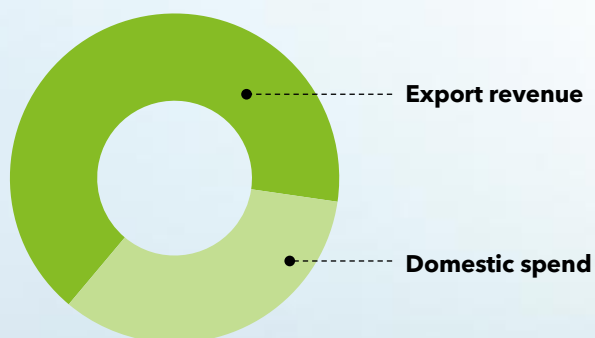
HortNZ represents the interests of approximately 4,300 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

There are approximately 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain, and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

HortNZ's purpose is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand.



Industry value \$7.54bn

Farmgate value \$4.89bn

Export revenue \$4.99bn

Domestic spend \$2.55bn

Source: HortNZ Annual Report 2025

Executive Summary

HortNZ notes the stated intent of the trial is to increase grocery competition which could likely benefit our growers in the long run. HortNZ supports more grocery competition. However, with the trial as proposed, there is a risk it could create an advantage for imported products over New Zealand grown food.

HortNZ notes the trial will consider the role digital labelling can play in our regulatory system, including developing evidence-based requirements for New Zealand consumers. Any moves towards digital labelling should consider international standards or guidelines, or best practice in key export markets.

However, HortNZ considers there are risks that need to be managed. Essential food safety information that reduces risks to consumers should still be required on a physical label given the risk to consumers is greater, for example in ready-to-eat products. In addition, HortNZ requires confirmation all consumer labelling requirements under the Fair Trading Act will still apply, i.e. country of origin information is required to be displayed on or nearby all fresh produce.

HortNZ considers it is a positive development to see the regulator using all regulatory tools available, including an exemption pathway from the requirements of the Food Act under specified circumstances, providing an operator can demonstrate food safety and suitability is still achieved.

Submission

1. Increased competition benefits growers, but the trial risks advantaging imported products

The stated intent of increasing grocery competition¹ could benefit growers in the long run. However, the concern for New Zealand growers is that the proposal as drafted is primarily focused on reducing barriers to importing food products, rather than directly addressing grocery competition.

By applying only to imported pre-packaged foods, the trial risks creating a separate labelling regime that could further advantage imported products over New Zealand grown food. Any reform in this space should ensure it does not disadvantage domestic producers or undermine the competitiveness of New Zealand pre-packaged, grown food.

HortNZ could support exploration of digital labelling where it is clearly linked to increasing grocery competition and applied in a way that is neutral between imported and New Zealand made products. HortNZ would not support a trial that results in different labelling requirements for imported goods that disadvantage New Zealand growers.

2. The trial will help build an evidence base for digital labelling

HortNZ notes the trial will consider the role digital labelling can play in our regulatory system. This should be to support the evidence required to determine what information could be provided via a digital label, to complement the on-label (physical) information. The trial can help build evidence-based requirements for New Zealand consumers.

Many fruit and vegetable growers are exempt from some food labelling regulatory requirements, but those products that are more processed are subject to more labelling requirements meaning increased compliance costs, including businesses struggling to get products to market and/or finding the labelling is incorrect, and having to relabel.

Any moves towards digital labelling should consider international standards or guidelines or best practice in key export markets. This includes what information could conceivably be off the label or provided electronically, and alignment where possible. HortNZ would also like to see the trial to be evaluated once concluded, with the results and report to be published and/or generally be made readily available to the sector.

¹ [Digital trial to boost supermarket competition | Beehive.govt.nz](https://www.beehive.govt.nz/digital-trial-to-boost-supermarket-competition)

3. Food safety information is paramount

HortNZ agrees that the scope of the trial should be limited and not include higher-risk products. The examples given do not include fresh produce, and whilst this is generally not imported into New Zealand, there should be acknowledgement in the criteria that some ready-to-eat foods pre-packaged foods can pose a high risk to consumers for foodborne illness, but this can be ameliorated by taking simple steps before consumption, e.g. washing bagged salads before consumption.

Hort NZ notes that not all consumers have or want access to a digital device so ensuring food safety and suitability information can still be accessed should be paramount when considering any changes to labelling requirements. Overall, HortNZ considers food safety information that reduces risks to consumers should always be on a physical label. For example, for bagged salad, having washing instructions in a clear and prominent position, as well as any allergen information.

Some growers have concerns as to how conveying important food safety information will work in practice in the trial. Consumers who are elderly, low-income, rural, may miss out on important information and the risks to those consumers without digital access seems high.

4. Fair Trading laws should be applied and enforced

HortNZ notes the exemption is being given under the Food Act, but there are other labelling requirements under other legislation that also provide information to consumers. These include the Consumer Information Standards (Origin of Food) Regulations issued under the Fair Trading Act. Noting the proposal is an exemption issued under the Food Act, so HortNZ requires confirmation all consumer law physical labelling requirements will still apply, i.e. it is still required for retailers to have country of origin information to be displayed on or nearby fresh produce.

HortNZ supports the Country-of-Origin Labelling standard for fresh fruit and vegetables as it enables clear labelling of New Zealand produced product, so that consumers can make an informed choice of what they choose to buy. Noting this proposal is for imported pre-packaged products, HortNZ would not want to see any lack of focus by regulators on ensuing current labelling requirements are being adhered to – i.e. we still expect clear enforcement of all fair trading rules for our sector.

5. Support using an exemption pathway under the Food Act to demonstrate compliance

HortNZ welcomes seeing the regulator using a Food Act exemption pathway, as we consider that industry can demonstrate compliance with meeting the requirements of the Food Act (food safety and suitability) using certified industry programmes. These have clear food safety standards and requirements and are independently certified with clear consequences for non-compliances.