

28 October 2026
417-26

2nd call for submissions – Proposal P1067

Health Star Rating System

Food Standards Australia New Zealand (FSANZ) has assessed a proposal to consider amending the Australia New Zealand Food Standards Code to require foods for sale in Australia and New Zealand to display a Health Star Rating symbol. Pursuant to section 61 of the *Food Standards Australia New Zealand Act 1991* (FSANZ Act), FSANZ now calls for submissions to assist consideration of the draft food regulatory measure.

Submissions on this proposal need to be made through the [Consultation Hub](#).

Submissions on this proposal will be published on the Consultation Hub. Submissions will be published following consultation and before the next stage in the statutory assessment process.

We will not publish material that we accept as confidential. In-confidence submissions may be subject to release under the provisions of the *Freedom of Information Act 1982*. Under section 114 of the FSANZ Act, some information provided to FSANZ cannot be disclosed. More information about the disclosure of confidential commercial information is available on the FSANZ website at [Making a submission](#).

For information on how FSANZ manages personal information when you make a submission, see FSANZ's [Privacy Policy](#).

FSANZ also accepts submissions in hard copy to our Australia and/or New Zealand offices. There is no need to send an email or hard copy of your submission if you have submitted it through the FSANZ Consultation Hub.

DEADLINE FOR SUBMISSIONS: 11:59pm (Canberra time) 23 December 2026

Submissions received after this date will not be considered unless an extension had been given before the closing date. Extensions will only be granted due to extraordinary circumstances during the submission period. Any agreed extension will be notified on the FSANZ website and will apply to all submitters.

For information about making a submission, visit the FSANZ website at [current calls for public comment and how to make a submission](#).

Questions about making a submission or application and proposal processes can be sent to standards.management@foodstandards.gov.au.

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Supporting documents

The following documents which informed the assessment of this Proposal are available on the [P1067 webpage](#):

SD1	Performance of the Health Star Rating algorithm
SD2	Health Star Rating system technical assessments
SD3	Consultation Regulation Impact Statement
SD4	FSANZ Act Assessment Requirements

Executive summary

Poor diet is a key contributor to overweight, obesity and diet-related non-communicable diseases in Australia and New Zealand. National dietary guidelines emphasise the importance of choosing a variety of nutritious foods and limiting foods high in saturated fat, sugars and sodium. Evidence assessed by Food Standards Australia New Zealand (FSANZ) indicates front-of-pack nutrition labelling (FoPL), used alongside broader public health strategies, can improve consumer understanding of the healthfulness of foods and support healthier choices.

The Health Star Rating (HSR) system is a FoPL scheme that summarises a food's overall nutritional profile using a simple star rating. Consumer research shows high awareness and increasing use of the HSR, with consumers appreciating the simplicity of the system. However, it also highlights limitations of the current voluntary approach, including inconsistent availability across products and variable consumer trust and understanding. Low uptake and selective use of the voluntary system have limited effective consumer use of the system.

Proposal P1067 – Health Star Rating System was prepared following a request from the Food Ministers' Meeting (FMM) in February 2026 to consider mandating the HSR system in the Australia New Zealand Food Standards Code (the Code). The request followed voluntary uptake targets set for industry not being met. The proposal considers whether the Code should be amended to require foods for sale in Australia and New Zealand to display a HSR symbol.

FSANZ undertook a first round of public consultation on the proposal from 7 May 2026 to 5 July 2026. At the 1st call for submissions (CFS), FSANZ's assessment concluded the current HSR algorithm aligns well with dietary guidelines and mandating the HSR system would better support healthier food choices for consumers compared to a voluntary system.

Following consideration of submitter comments and the available evidence base, and for the reasons set out in this 2nd CFS, FSANZ has revised the proposed approach and prepared a draft variation to the Code as at Attachment A.

The proposed approach has been revised to clarify requirements and make the proposed changes simpler to implement and enforce, but has not changed in its intent, which is to:

- require the HSR symbol to be displayed on most packaged foods for retail sale where a nutrition information panel is required, subject to specified exemptions and prohibitions
- standardise the HSR symbol design and location (front of pack)
- require the HSR to be calculated using a prescribed algorithm.

A summary of the key changes made since the 1st CFS is provided in Section 3.6.

Overall, a mandatory approach is expected to improve consistency, comparability and accessibility of nutrition information to address limitations of the voluntary approach, enhance consumer trust and provide greater regulatory certainty for industry and enforcement agencies. Improved health outcomes are expected from consumers who choose healthier products using the mandatory system and indirectly from a healthier food supply if food manufacturers choose to formulate or reformulate packaged food products to improve their HSR. However, FSANZ notes the importance of consumer education to complement and support a mandatory system to maximise its effectiveness.

FSANZ is proposing a transition period of three years, with a separate two-year stock-in-trade period.

FSANZ seeks submissions on the proposed regulatory approach to inform its final assessment and whether the proposed draft variation to the Code should be approved, amended or rejected.

1 Introduction

1.1 The proposal

On 10 April 2026, Food Standards Australia New Zealand (FSANZ) prepared Proposal P1067 – Health Star Rating System to consider amending the Australia New Zealand Food Standards Code (the Code) to require foods for sale in Australia and New Zealand to display a Health Star Rating (HSR) symbol. The existing HSR system is a voluntary front-of-pack nutrition labelling (FoPL) tool intended to support consumers to make healthier food choices by providing a simple summary of a food's overall nutritional profile.

1.2 Reasons for preparing the proposal

In February 2026 the Food Ministers' Meeting (FMM)¹ requested FSANZ prepare a proposal on mandating the HSR system in the Code after voluntary HSR uptake targets were not met by industry (Department of Health, Disability and Ageing, FSANZ and NZ MPI, 2026).

Diet plays an important role in our overall health and wellbeing. Food provides energy, nutrients and other components that, if provided in insufficient or excess amounts, can result in ill health (AIHW 2026a). Currently around two-thirds of the Australian (AIHW 2026b) and New Zealand (Ministry of Health 2025) population are overweight or obese, and an estimated 15% of deaths in Australasia are attributable to dietary risks (Afshin et al. 2019).

The *Australian Dietary Guidelines* (ADG) (NHMRC 2013) and *Eating and Activity Guidelines for New Zealand Adults* (NZEAG) (Ministry of Health 2020) form part of a preventative, population-level approach to promote healthy eating. Alongside dietary guidelines and other broader health strategies, tools such as nutrition labelling can assist consumers make healthier food choices.

Evidence indicates that FoPL can improve consumer understanding of the nutritional content of foods and the healthfulness of food choices and purchases, compared with when no FoPL is present (Kelly et al. 2024). Interpretive FoPL systems have been found to have a greater effect on these outcomes than non-interpretive systems. There is also evidence to suggest the HSR system may encourage product reformulation to improve nutritional composition (Bablani et al. 2020).

1.3 Procedure for assessment

The proposal is being assessed under the Major Procedure as set out in the *Food Standards Australia New Zealand Act 1991* (FSANZ Act). The Major Procedure requires two statutory rounds of public consultation.

The 1st call for submissions (CFS), released between 7 May 2026 to 5 July 2026, sought feedback from interested parties on FSANZ's assessment and preliminary conclusion about whether to prepare a variation to the Code. It also included FSANZ's proposed approach.

After considering the submissions received in response to the 1st CFS, FSANZ decided to prepare a proposed draft variation (Attachment A). This 2nd CFS seeks feedback on the draft variation and the assessment and regulatory approach on which it is based. Questions for submitters are provided at Appendix 1.

Submissions received in response to this 2nd CFS will inform FSANZ's decision on whether to approve, amend or reject the proposed draft variation. If approved by FSANZ, the draft

¹ [Food Ministers' Meeting communiqué – 13 February 2026 | Food Regulation](#)

variation will be referred to the FMM for consideration and endorsement.

1.4 Scope of the proposal

The proposal considers requiring the application of the HSR system to foods for sale in Australia and New Zealand, which would require the display of the HSR symbol in accordance with the Code.

The *HSR System Implementation Guide* (Implementation Guide) (Department of Health, Disability and Ageing 2025) sets out how the current voluntary HSR system operates and provides the basis for our assessment of the HSR system.

Adjustments to the HSR system that may be necessary to align with the requirements of the Code or to improve clarity under a mandatory regulatory framework are within scope of this proposal.

Consideration of provisions for displaying the HSR in online sale environments is out of scope. The digital provision of food information is being considered through broader policy work across the Food Regulation System, including FSANZ's principles-based review of food labelling in the digital era.

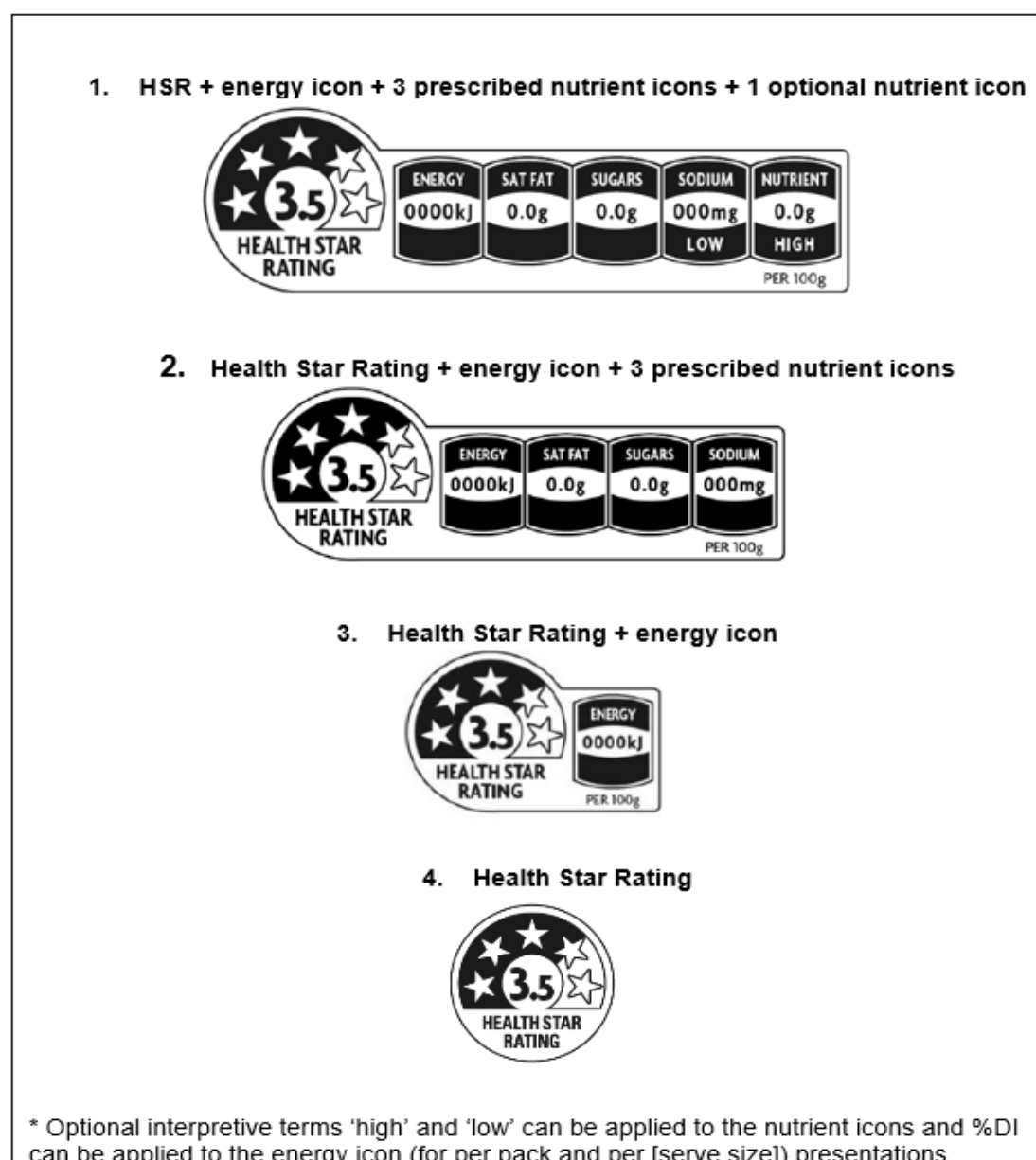
1.5 The voluntary HSR system

The HSR system is a FoPL scheme that rates the overall nutritional profile of a food and assigns it a rating from 0.5 to 5 stars. It is intended to provide a quick, easy, standardised way for consumers to compare the nutritional value of similar foods to help them make informed food choices aligned with dietary guidelines. The higher the star rating compared to similar foods, the healthier the choice.

The HSR system was implemented in 2014 in Australia and New Zealand on a voluntary basis. It was based on a modified version of the Nutrient Profiling Scoring Criterion (NPSC) used to determine eligibility for making health claims about food in Australia and New Zealand. Under the voluntary system, a HSR is calculated using an algorithm, with each food assigned to one of 6 categories to enable better differentiation of similar foods and closer overall alignment with dietary guidelines. Ratings are calculated using components of food considered to both increase the risk of chronic disease (energy, saturated fat, total sugars and sodium) and decrease the risk of chronic disease (protein, dietary fibre and fruit, vegetable, nut, and legume (FVNL) content).

A HSR symbol is recommended to be displayed following a hierarchy of format options, with all options displaying the stars element (Figure 1).

Figure 1: Hierarchy of HSR symbol designs*



A review of the HSR system was undertaken five years after implementation in 2019 (the 5-year review)² (Department of Health, Disability and Ageing 2020). At this time, food ministers agreed for the system to remain voluntary but with clear uptake targets set. It was noted, if the final target was not met by industry, ministers would consider mandating the system.

At the July 2024 FMM³, ministers requested FSANZ undertake preparatory work on the potential mandating of the HSR system to inform future decision-making should the final voluntary uptake target not be met by industry.

Both the 5-year review and FSANZ's work completed during the preparatory phase have informed the assessment of P1067.

Further background on the HSR system and the HSR preparatory work is available in Sections 2.1 and 2.2 of the 1st CFS.

² [Health Star Rating system reviews | Health Star Rating System](#)

³ [FMM Communique July 2024](#)

1.6 Dietary guidelines

The HSR system was developed to align with Australian (NHMRC 2013) and New Zealand (Ministry of Health 2020) dietary guidelines. Dietary guidelines provide evidence-based population health advice on healthy eating to reduce the risk of chronic diseases and improve public health outcomes. They include recommendations on the types and amounts of foods and beverages people should consume, as well as advice to limit foods and drinks high in certain nutrients and choose foods higher in others. Further information about the dietary guidelines and the recommendations relevant to the HSR system is available in Section 2.3 of the 1st CFS.

The ADG were last updated in 2013 and are currently under review, with updated guidelines due for publication in 2027 (NHMRC 2026). The NZEAG are updated periodically to reflect current evidence and public health recommendations. FSANZ is not aware of any current reviews being undertaken.

1.7 Australia and New Zealand food standards

1.7.1 Relevant Standards in the Code

Section 1.1.2—15 of the Code provides a definition of a '*Permitted Health Star Rating symbol*'. It includes the Australian and New Zealand trademark numbers representing the permitted images of the HSR symbol as well as conditions of the image which still permit it to be a permitted HSR symbol.

Subsection 1.2.7—6(d) and section 1.2.8—3 of the Code provides that Standard 1.2.7 – Nutrition, health and related claims, and Standard 1.2.8 – Nutrition information requirements respectively do not apply to a *Permitted Health Star Rating symbol*. The effect of these clauses is that the use of the energy and nutrient icons in the HSR symbol would not need to comply with the nutrition content or health claim requirements or the additional nutrition information labelling requirements associated with claims as set out in these Standards.

Standard 1.2.1 - Requirements to have labels or otherwise provide information, requires packaged foods to 'bear a label' with specific information, including nutrition information in a Nutrition Information Panel (NIP), unless an exemption is provided.

Standard 1.2.8 sets out nutrition information requirements in relation to foods for sale that are required to bear a label, and for foods for sale that are exempt from these requirements. This standard also sets out when nutrition information must be provided, and the way such information must be provided. Section 1.2.8—5 exempts certain foods from the general requirement to be labelled with a NIP unless a claim requiring nutrition information is made in relation to the food.

Schedule 4 - Nutrition, health and related claims, Schedule 5 - Nutrient profiling scoring method and Schedule 6 - Required elements of a systematic review relate to the NPSC. The NPSC is a nutrient profiling system used to determine whether a food is eligible to make certain nutrition content and health claims based on its nutrient profile. Schedule 5 sets out the nutrient profiling scoring method. The nutrient profiling scoring method calculates a food's nutrient profiling score by allocating baseline points for energy, saturated fat, total sugars and sodium, and subtracting modifying points for FVNL and, where applicable, protein and dietary fibre. The NPSC and Schedule 5 are relevant to the HSR system because the HSR algorithm draws on the same underlying nutrient profiling approach.

1.7.2 New Zealand Food (Supplemented Food) Standard

The Trans-Tasman Mutual Recognition Arrangement (TTMRA) provides that most food may

be imported into Australia from New Zealand and sold in Australia provided it complies with the New Zealand food law⁴. Most foods are also exempt from inspection under the Imported Food Control Act. New Zealand food law includes the New Zealand Food (Supplemented Food) Standard 2016⁵.

1.8 International and overseas standards

1.8.1 Front-of-pack nutrition labelling overseas

Internationally, there is no single consistent approach to mandatory FoPL schemes. As of October 2026, there are at least 17 countries implementing a mandatory FoPL scheme (Afroza et al 2024; Global Food Research Program 2026; USDA & GAIN 2026; WHO 2026). Many mandatory FoPL schemes (n=10) are nutrient specific interpretive schemes that warn when foods are high in sugar, fats, sodium and/or energy⁶. However, there is variability in the format and nutrient thresholds used across these schemes. Other mandatory schemes include Singapore's Nutri-Grade scheme, Indonesia's Nutri-Level scheme, the United Arab Emirates' Nutri-Mark, Thailand's Guideline Daily Amount Labels and multiple Traffic Light schemes implemented in Ecuador, Iran and Sri Lanka (Afroza et al 2024; Global Food Research Program 2026).

There are currently no similar mandatory schemes internationally to the HSR system. However, the HSR system shares similarities with the voluntary Nutri-Score scheme implemented in some European countries. Like the HSR system, Nutri-Score rates the nutritional quality of food using positive and negative components but assigns a letter and a colour ranging from A/dark green (highest nutritional quality) to E/dark orange (lower nutritional quality) (Hercberg et al. 2022; Eurofins 2026). For further information on the Nutri-Score system see Attachment B of the 1st CFS.

1.8.2 Codex Alimentarius

In 2021, Annex 2 – *Guidelines on front-of-pack nutrition labelling* was adopted into the Codex Guidelines on Nutrition Labelling (CXG 2-1985) to support the development of FoPL schemes (Codex Alimentarius Commission 2024).

The guidelines recognise FoPL as a form of supplementary nutrition information displayed on the front of prepackaged foods to help consumers interpret information more easily, understand the nutrition value of foods and make choices consistent with national dietary guidance or health and nutrition policies.

The guidelines state that FoPL schemes can be voluntary or mandatory. They recommend that governments support a single national scheme that is evidence-based, aligned with national dietary guidance, easy for consumers to understand and use, and supported by consumer education. Schemes should also be developed in consultation with relevant stakeholders, broadly available to consumers, and regularly monitored and evaluated to assess their effectiveness.

The guidelines also identify several categories of foods that are excluded from the application of FoPL schemes, including infant formula, follow-up formula and foods for special medical purposes. Foods that can be considered for exclusion at a national level are also identified, such as other foods for special dietary uses and alcoholic beverages. The guidelines emphasise that FoPL schemes should not promote alcohol consumption and note

⁴ [Importing food from New Zealand - DAFF](#)

⁵ [Food Standard: New Zealand Food \(Supplemented Food\) Standard 2016](#)

⁶ Argentina, Brazil, Canada, Chile, Colombia, Israel, Mexico, Peru, Uruguay and Venezuela implement these schemes.

that foods exempt from nutrition declaration requirements may also be exempt from FoPL requirements.

1.9 Consultation on the 1st CFS

FSANZ released a 1st CFS on 7 May 2026 for a 6-week public consultation period seeking comment on FSANZ's assessment of Proposal P1067, the preliminary conclusions of that assessment, and FSANZ's proposed approach based on those conclusions. The consultation period was extended by 2 weeks ending 5 July 2026. During the consultation period, a series of webinars were also held with stakeholders to clarify the consultation package, and additional stakeholder meetings were held on request.

FSANZ received 380 submissions (38 public health and consumer, 22 academic, 159 industry, 15 government, 132 individual and 14 other). Submitters to the 1st CFS are listed in Table A at Appendix 2. Submissions (n=378) were published on the FSANZ website on 9 October 2026, except for two submissions that were requested to be kept confidential.

FSANZ has reviewed and considered all submissions received in response to the 1st CFS. AI-assisted tools were used to support the analysis and summarisation of consultation submissions. All findings, interpretations and conclusions were reviewed and verified by FSANZ staff prior to inclusion in this 2nd CFS.

Given the volume and complexity of feedback received, the submitter summary tables in Appendix 2 (Tables B1-8) provide a high-level summary of comments, focusing on the key issues raised and alternative approaches suggested by submitters. Responses to these key issues and alternative approaches are also provided in the tables.

Further detail on submitter comments relating to the evidence base and specific areas of the proposed approach, together with FSANZ's response is provided in Sections 2 (Evidence), 3 (Risk Management) and 6 (Implementation) and supporting documents (SDs).

In addition to providing feedback on the proposed approach, submitters also sought clarification on a range of technical matters. Where clarification was requested, FSANZ has also addressed these issues in this 2nd CFS and SDs, and/or in the proposed draft variation and explanatory statement as provided at Attachments A and B, respectively.

In response to World Trade Organization (WTO) notifications from Australia and New Zealand, 3 submissions were received from the People's Republic of China (PR China), the European Union (EU) and Indonesia (see Section 4.2). A summary of issues raised in these submissions and FSANZ's response are provided in Table A at Appendix 3.

2 Evidence

2.1 Consumer research

At the 1st CFS FSANZ provided a comprehensive assessment of consumer research regarding the HSR system which included:

- a systematic literature review that examined 48 publications from Australia and New Zealand published between 2014 and 2025 relating to consumer use, understanding and trust of the HSR system, as well as how the HSR may impact consumer perceptions and behaviours relating to food choices (SD1 to the 1st CFS)
- original research including qualitative research that explored consumer use and understanding of the HSR and its interaction with the NIP which included nine focus groups (7 online, 2 in person) held across Australia and New Zealand comprising

- 68 participants from diverse backgrounds (SD2 to the 1st CFS)
- FSANZ's Consumer Insights Tracker (CIT), an annual survey of a nationally representative sample of 1,200 Australian and 800 New Zealand consumers, providing insights into consumer use, understanding and trust in the HSR. Full results from the CIT can be viewed on the [FSANZ website](#) (FSANZ 2026)
- findings from HSR consumer monitoring undertaken by FSANZ on behalf of the Department of Health, Disability and Ageing (DHDA), and the New Zealand Ministry for Primary Industries (MPI) in 2024 and 2025, which are available on the [HSR website](#) (FSANZ 2025a, FSANZ 2025b).

Overall, the consumer research suggests consumer awareness of the HSR system is high, and use of the HSR system continues to increase across Australia and New Zealand. Most consumers understand more stars indicate a healthier food relative to a food with fewer stars. However, two thirds of consumers do not understand the HSR should only be used to compare similar foods. Trust in the HSR is a key driver of use and is strengthened by understanding that the system is science-based, regulated and government-supported. In 2024, 6 in 10 Australians and 5 in 10 New Zealanders trusted the HSR system. Consumers generally use the HSR as a quick guide alongside the NIP. Although consumers report the HSR influences healthier choices, evidence suggests its impact on real-world purchasing behaviour remains limited. There is broad support for mandating the HSR system, with consumers suggesting that doing so would increase their trust and use of the HSR.

Contextually, it is important to note that the HSR has been displayed on less than 40% of products in Australia and New Zealand since its implementation in 2014 (Department of Health, Disability and Ageing, FSANZ and NZ MPI, 2026). This may influence findings, as consumers may not use the HSR when it is not displayed on the products they buy. However, the impact of introducing a mandatory system on consumer perceptions and food-related behaviours is unknown.

2.1.1 Submitter comments

Many submitters noted consumer understanding of the HSR system remains limited, citing FSANZ's evidence that many consumers do not understand the HSR is intended to compare foods within the same category of food. Several submitters suggested this misunderstanding may lead consumers to make inappropriate cross-food category comparisons and questioned whether a mandatory scheme would be effective due to limited understanding.

A recurring comment was that mandatory implementation alone is unlikely to improve consumer understanding or use of the HSR system. Multiple submitters stated a comprehensive and ongoing consumer education program would be necessary if the system were mandated, particularly to explain how the HSR is intended to be used and who oversees the system.

Some submitters highlighted there are only moderate levels of consumer trust in the HSR system and suggested trust is undermined by confusion about how ratings are calculated and the perception ratings can be manipulated. Some submitters also questioned whether mandating the HSR system would improve trust without addressing these underlying concerns.

Several submitters noted while experimental studies suggest HSR can influence product choice, FSANZ's own evidence indicates limited impact on real-world purchasing behaviours. They emphasised findings that field studies showed little effect on purchasing behaviour except among consumers who were already motivated to use nutrition information.

A small number of submitters questioned the robustness of the consumer evidence base, particularly the reliance on qualitative research. Concerns included small sample sizes, self-

reported behaviours, focus-group bias, representativeness of participants and the extent to which findings can be generalised to the broader Australian and New Zealand populations.

Several submitters commented on evidence relating to HSR formats. Some argued that consumers prefer formats that include additional nutrient information (such as the HSR + tail format) because they provide context about how a rating was derived and improve transparency. Others cited FSANZ's literature review findings that additional information can create confusion and may not improve healthier decision-making. Some submitters also questioned the methodology used in studies assessing format preferences.

One submission raised concerns that, while FSANZ considered Māori and Pacific populations in its research, there appeared to be limited consideration of Aboriginal and Torres Strait Islander Australians within the consumer evidence presented.

2.1.2 FSANZ response

FSANZ considers the consumer evidence presented at the 1st CFS represents a comprehensive assessment. The assessment did not rely on a single study, sample, sample size or methodology. It incorporated a large systematic literature review of 48 Australian and New Zealand publications, original qualitative focus group research, large nationally representative CIT surveys in both Australia and New Zealand, and HSR consumer monitoring studies. Qualitative research was used alongside quantitative evidence to provide insights into how and why consumers use, understand and trust the HSR system. Each study presented in the literature review was assessed on its methodological robustness and conclusions were drawn with consideration of these assessments. The limitations of FSANZ's research are also noted in each report. FSANZ determined the evidence across multiple sources and methodologies was generally consistent and provides a strong basis for assessment. It is important to consider the evidence assessed is in the current context of a voluntary system.

The consumer evidence presented at the 1st CFS found while most consumers understand the more stars indicate a healthier food, around two-thirds do not understand the HSR is intended to compare similar foods. However, the evidence also showed high awareness and an increasing number of consumers using the HSR, with most consumers reporting it makes identifying healthier products easier. Mandating the HSR system would make it widely available across products, improving consumers' ability to compare foods. FSANZ recognises consumer education would be needed to support understanding of how the HSR is intended to be used. It is currently unclear how consumers would use the HSR under a mandatory system.

Current consumer trust in the HSR system is moderate and remains an important factor influencing consumer use. The consumer evidence identified several factors associated with lower trust. This included limited understanding of how ratings are calculated, perceptions the ratings can be manipulated or influenced by manufacturers, perceptions the system lacks oversight by a reputable governing body, and disagreement between star ratings and consumers' own perceptions of a product healthiness. The evidence also found that trust was higher among consumers who understood the system is science-based, government-supported and regulated. While the effect of mandating the system on consumer trust in the system cannot be known in advance, qualitative consumer research indicated that consistent application across products and oversight by a credible authority may help strengthen trust.

FSANZ acknowledges the evidence relating to behaviour change is mixed. As described in SD1 to the 1st CFS, laboratory and experimental studies generally found the presence of the HSR improves the likelihood of healthier product selection. However, field studies examining purchasing behaviour in real-world settings found more limited effects, with impacts observed primarily among consumers already motivated to use nutrition information. The limited effect

observed in real-world settings may also reflect the current voluntary system.

FSANZ incorporated a range of consumer research in its assessment, including considerations of sub-populations. The FSANZ consumer literature review highlighted any differences by sub-population that were presented in previous literature (SD1 to the 1st CFS). The nutrition labelling focus groups included people from lower socioeconomic backgrounds, and people who identify as Māori or Pacific peoples/Pasifika peoples (SD2 to the 1st CFS). The monitoring survey conducted on behalf of the DHDA and MPI consisted of 1,179 Australian participants including 278 Aboriginal and/or Torres Strait Islander Peoples, 241 Multicultural and 271 consumers of low socio-economic status (SES). The 989 New Zealand participants included 256 Māori, 212 Pacific Peoples and 240 consumers of low SES. Finally, FSANZ's CIT survey has proportionate representation of Aboriginal and/or Torres Strait Islanders in Australia and Māori in New Zealand.

2.2 Alignment with Dietary Guidelines

At the 1st CFS, FSANZ assessed the overall performance of the HSR algorithm against the ADG using data for 21,675 permitted and intended foods⁷ in the Australian Branded Food Database (BFD). Alignment of the HSR algorithm with the ADG was determined using a food's Core and Discretionary Classification⁸ and HSR, which was compared to a threshold. The HSR algorithm was considered to align with dietary guidelines if a food classified as core had a HSR ≥ 3 , and a food classified as discretionary had a HSR < 3 . These thresholds were selected for consistency with modelling undertaken for the 5-year review. Data from the BFD and ADG have been used as a proxy for assessing alignment of the HSR algorithm with dietary guidelines for New Zealand given the similarities in food supply and dietary guidelines across countries.

Modelling showed good overall alignment of the HSR algorithm with the ADG at 79%, although there was better alignment between the algorithm and core foods (85%) than there was with discretionary foods (73%). Misaligned foods were spread across multiple food categories used for modelling purposes. The most common categories for core food misalignment were cheese, fruit and/or vegetable juices, savoury biscuits, instant noodles, dried fruit, flavoured milks, dressings and plant-based milk alternatives. The most common categories for discretionary food misalignment were snack products such as potato/vegetable crisps/corn chips and snack bars, carbonated drinks, sauces and condiments, soups and stocks, canned vegetables/legumes, breakfast cereals and deli-style meats.

In most cases misalignment occurred due to a combination of factors. Core foods with lower star ratings generally had higher energy, saturated fat, total sugars or sodium contents, while discretionary foods with higher star ratings were often lower in these risk components. In some cases, misaligned discretionary foods may have also benefited from positive components such as dietary fibre, protein, or FVNL, or added intense sweeteners. The system used for categorising core and discretionary foods also influenced misalignment.

2.2.1 Submitter comments

Some submitters supported the modelling approach undertaken by FSANZ to assess the alignment of the HSR algorithm with dietary guidelines and our overall findings. Other submitters did not, questioning the threshold used in the analysis to assess alignment and whether our conclusion that the HSR system is generally well aligned with dietary guidelines is supported by the results.

⁷ foods intended to display a HSR as part of the voluntary scheme

⁸ system developed for the Australian 2023 National Nutrition and Physical Activity Study (NNPAS) to identify foods in the BFD as core and discretionary (ABS 2023)

Some academic and individual submitters suggested using a threshold of 2.5 stars, based on studies by Dickie, S., et al. (2020) and Lawrence, M., et al. (2018) as a better way to assess how well the HSR algorithm aligns with dietary guidelines. A threshold of 2.5 stars is thought by these submitters to be a reasonable logic informed threshold as it represents the midpoint of the maximum 5-star rating, as opposed to the perceived arbitrary 3-star threshold. Under this approach, core foods would be expected to have a HSR of ≥ 2.5 stars and discretionary foods would be expected to have a HSR ≤ 2 stars to align with dietary guidelines. The application of this threshold is expected to result in a substantially higher percentage of discretionary foods being misaligned with dietary guidelines.

Alignment of the HSR algorithm with dietary guidelines was also a concern for some public health, academic, industry and individual submitters. These submitters were particularly concerned where discretionary or ultra-processed foods score 3 stars or more (such as confectionery and snack foods), and core foods score below 3 stars (such as cheese) or where the ratings received are counter intuitive to what is expected such as nutrient rich whole foods scoring lower ratings than highly processed discretionary foods. The results of FSANZ modelling were used to support these concerns with 27% of discretionary foods scoring a HSR ≥ 3 and 15% of core foods scoring < 3 stars. Some submitters also questioned the FSANZ conclusion that an overall alignment of 79% represents good alignment, when around 1 in 5 products do not align with the dietary guidelines.

2.2.2 FSANZ response

2.2.2.1 Thresholds

The threshold used for the 5-year review, and in FSANZ modelling reflects the original design intent of the voluntary HSR system, to maintain close alignment with the NPSC on which the system is based. A threshold of 3 stars broadly aligns with the NPSC threshold used to determine whether foods are eligible to make a health claim (mpconsulting 2018a). Under this approach, foods that are not eligible to make a health claim would generally receive a HSR of 0.5 to 2.5 stars, while foods that are eligible to make a health claim would generally receive 3 to 5 stars (mpconsulting 2018b). This threshold separates the 10 possible HSRs into two equal groups: five ratings below 3 stars for discretionary foods, and five ratings of 3 stars or higher for core foods.

2.2.2.2 Alignment with dietary guidelines

As noted above, differences between HSRs and dietary guidelines can occur for a range of reasons. FSANZ considers the true level of misalignment is likely to be lower than indicated by the modelling presented at the 1st CFS. This is because the HSR system and dietary guidelines are designed for different purposes and the core and discretionary food flags used in the modelling were not specifically developed to assess alignment between the two.

The impact of the proposed changes to the application of the HSR system and the category definitions on alignment with dietary guidelines was also assessed as part of this 2nd CFS. Modelling shows minimal impact, with overall and core food alignment remaining unchanged at 79% and 85% respectively, while discretionary food alignment increased slightly to 74%. See SD1 for further information.

2.3 Evidence assessment conclusion

As part of the 1st CFS, FSANZ assessment considered:

- a HSR literature review (SD1 to the 1st CFS)
- nutrition labelling focus group research (SD2 to the 1st CFS)

- modelling the performance of the HSR algorithm (SD3 to the 1st CFS)
- HSR symbol and technical assessments (SD4 and SD5 to the 1st CFS)
- consideration of international FoPL scheme aspects relevant to the HSR system (Section 2.4 of the 1st CFS).

Following consultation on the 1st CFS, no further assessment was undertaken, except to evaluate how the changes proposed in this 2nd CFS would affect the alignment of the HSR algorithm with the ADG (See SD1).

In this 2nd CFS, the evidence assessment concludes consumers appreciate the simplicity of the HSR system and understand more stars indicate a healthier food relative to a food with fewer stars. Mandating the HSR system would make it widely available across products, improving consumers' ability to compare foods and strengthen consumer trust. Modelling also shows there is good overall alignment of the HSR algorithm with the ADG.

3 Risk management

3.1 Mandating the HSR system

At the 1st CFS, FSANZ's assessment concluded that mandating the HSR system would better support healthier food choices for consumers compared to a voluntary system. A mandatory approach would address the limitations of the voluntary approach by enabling consumers to compare the HSR of most packaged foods and strengthen consumer trust. Additionally, it would provide regulatory certainty for industry and enforcement agencies. Preliminary consideration of the costs and benefits also found that mandating the system is likely to achieve a net benefit. However, consumer education would be needed to complement and support a mandated system.

3.1.1 Submitter comments

There was mixed support for mandating the HSR system. Submitters who supported mandating the HSR system considered it a simple and effective tool that helps consumers make informed food choices, supports public health objectives and encourages product reformulation. Many suggested mandatory implementation is necessary to address low and selective uptake of the voluntary scheme, improve consistency and transparency, and create a level playing field for industry. Submitters also highlighted the system's potential to improve accessibility for diverse population groups, strengthen consumer trust, and align Australia and New Zealand with international best practice in FoPL.

Some submitters expressed conditional support, contingent on further refinement of the HSR algorithm, appropriate implementation and enforcement arrangements, consumer education initiatives, and broader policy or governance considerations.

Submitters who opposed mandating the HSR system generally claimed the current system does not accurately reflect a food's overall healthiness and is not sufficiently aligned with contemporary nutrition science or dietary guidelines. Key concerns included the nutrient-focused nature of the algorithm, the potential for ratings to be manipulated through reformulation, consumer misunderstanding of the system, and limited evidence mandatory HSR would improve population health outcomes. Some submitters thought a different FoPL system would be more effective. Many submitters also raised concerns about implementation costs and regulatory burden and considered that the algorithm should be reviewed and refined before mandatory implementation was considered.

3.1.2 FSANZ response

3.1.2.1 Voluntary versus mandatory approach

Internationally FoPL systems are recommended as a form of supplementary nutrition information to help consumers interpret information more easily, understand the nutritional value of foods and make choices consistent with national dietary guidance or health and nutrition policies (Codex Alimentarius Commission 2024). It is not intended to be a stand-alone strategy for addressing and reducing the prevalence of diet related chronic diseases, but it can fit within the context of broader health strategies such as dietary guidelines, by making it easier for consumers to make healthier choices⁹.

As noted in Section 1.2, current evidence indicates FoPL can improve consumer understanding of the nutritional content of foods and the healthfulness of food choices and purchases, compared with when no FoPL is present (Kelly et al. 2024). While this review found inconsistent evidence on the best-performing FoPL system, interpretive summary indicators like the HSR system generally performed favourably and were found to have a greater effect on these outcomes than non-interpretive systems. There is also evidence to suggest the HSR system may encourage product reformulation to improve nutritional composition (Bablani et al. 2020).

FSANZ consumer research suggests consumer awareness of the HSR system is high, that consumers appreciate the simplicity of the HSR system and understand more stars indicate a healthier food relative to a food with fewer stars. Several qualitative consumer studies also indicate there is broad support for mandating the HSR system (see SD1 to the 1st CFS), with universal application expected to strengthen the system by improving consistency, comparability, accessibility, fairness for food manufacturers and consumer trust, particularly if overseen by a credible authority (see SD2 to the 1st CFS). Improved health outcomes are also expected from consumers who choose healthier products using the mandatory system and indirectly from a healthier food supply if food manufacturers choose to formulate or reformulate packaged food products to improve their HSR (see SD3).

Low uptake and selective use of the voluntary system by industry have limited effective consumer use of the system (Bablani et al. 2020) and consumers trust in the system. Survey research showed most participants (62–79%) would use the HSR more if it was on most foods and drinks, noting among consumers who reported being unlikely to use the HSR, low uptake was not the commonly identified reason (10–15%) (see SD1 to the 1st CFS). In FSANZ's focus group study, several participants also indicated that mandating the HSR system might not improve consumer confidence in and the use of the system unless other steps were also taken. Consumer education on how the system works and who oversees it, and ensuring implementation costs are not passed to consumers, were also considered important (see SD2 to the 1st CFS).

FSANZ supports the need for education and awareness activities to maximise the effectiveness of a mandatory HSR system particularly to help consumers better understand the HSR should only be used to compare similar foods.

3.1.2.2 Algorithm

As noted in Section 1.5, the algorithm used to calculate a HSR includes components of food considered to increase the risk of chronic disease (energy, saturated fat, total sugars and sodium) and components considered to decrease the risk of chronic disease (protein, dietary fibre and FVNL). These components were selected to reflect the components highlighted in

⁹ [Policy statement on front-of-pack labelling | Food Regulation](#)

dietary guidelines that consumers are encouraged to limit or eat more of, respectively.

A comprehensive review of the HSR algorithm was undertaken as part of the 5-year review of the HSR system between 2017-19. This included investigating a broad range of stakeholder concerns such as which foods should use the algorithm, the appropriateness of the HSR categories and ratings, which components should and should not be part of the algorithm, and how these components should be treated within the algorithm. Despite many issues being investigated, only a small number of updates were implemented to better align HSRs with dietary guidelines, reflect emerging evidence, address stakeholder concerns and encourage positive reformulation. For further information see *Health Star Rating 5 Year Review Report*¹⁰.

A full review of the HSR algorithm was not considered as part of P1067. Therefore, changes to the types of components used in the algorithm, the baseline and modifying points tables and the methodology used for converting the final HSR score into a star rating were not specifically considered. These aspects would be more appropriately considered as part of a holistic review of the algorithm. This leaves limited opportunities to modify the HSR algorithm in response to improvements suggested by submitters. However, FSANZ is proposing some changes to the application of the HSR system and the category definitions as part of this 2nd CFS to more closely align and incorporate the HSR algorithm into the Code's statutory framework. FSANZ is also seeking submitter views on whether rescaling Category 3D cheeses should be further considered as part of P1067, noting the approach investigated retains the existing intent, structure, components and methodology of the HSR algorithm without affecting ratings for other food categories (see Section 3 of SD1).

Modelling undertaken for the 2nd CFS indicates the HSR algorithm is generally well aligned with the ADG, with an overall alignment of 79%. Alignment was higher for core foods (85%) than for discretionary foods (74%) (see SD1). However, FSANZ considers the actual level of misalignment is likely to be lower than the modelling suggests. These results represent an improvement from the 5-year review modelling, which found overall alignment of 72%, core food alignment of 84% and discretionary food alignment of 61% (mpconsulting 2018b). These differences could be related to multiple factors including the use of different datasets, updates made to the algorithm following the 5-year review, slight differences in the Core and Discretionary Classification criteria and/or changes in the food supply since the 5-year review noting reformulation is a driver of the HSR system.

FSANZ supports reviewing the algorithm once the ADG review has been completed. Undertaking a holistic review after the ADG review would help ensure the algorithm reflects the latest dietary guidance and provides an opportunity to consider issues raised by submitters and areas where misalignment may occur.

3.1.2.3 Implementation costs and regulatory burden

FSANZ acknowledges mandating the HSR system as proposed will be a regulatory burden for the food industry, however, considers Australian and New Zealand consumers will be in a better position than under the status quo. Mandating the HSR system improves the information available to consumers and may reduce the information search costs of making healthier food choices. Improved health outcomes are expected from consumers who choose healthier products using the mandatory system and indirectly from a healthier food supply if food manufacturers choose to formulate or reformulate packaged food products to improve their HSR.

To reduce the regulatory burden on the food industry, FSANZ is proposing a transition period to allow food businesses time to make the required changes to comply with the Code.

¹⁰ [Health Star Rating system reviews | Health Star Rating System](#)

A transition period enables businesses to coordinate a mandatory labelling change when it is most cost-effective to each individual business. FSANZ understands most businesses can coordinate a regulatory label change with their routine, voluntary label changes within a 3-year period. Furthermore, a stock-in-trade period will limit the potential environmental impacts from mandating the HSR system by allowing businesses to sell products that do not meet the proposed Code requirements for a set time, to limit packaging write-off and wastage. See Section 6.1 for further information.

3.1.3 Conclusion

FSANZ proposes to amend its preferred approach at the 1st CFS following consideration of the submitter comments and evidence, further assessment and for the reasons set out in:

- SD1 – Performance of the HSR algorithm
- SD2 – HSR system technical assessments
- SD3 – Consultation Regulation Impact Statement
- SD4 – FSANZ Act Assessment Requirements

Proposed regulatory approaches for how the HSR system might be mandated and incorporated into the Code are summarised below and discussed in detail in SD2.

3.2 Application of the HSR system

3.2.1 Specific types of sales

For the reasons set out in Section 2.1 of SD2, FSANZ is proposing a HSR symbol:

- is prohibited from being displayed on the label of a food or in connection with a food for sale unless required or expressly permitted
- would be required for food for retail sale and a sale of a food that is not a retail sale, if the food is sold as suitable for retail sale without any further processing, packaging or labelling, if that food is required to bear a label, subject to certain exemptions and prohibitions
- would not be required, but could be provided voluntarily, for food sold to a caterer, other types of sales (not including retail sale) and intra company transfers.

Regardless of the type of sale and whether the HSR is required or voluntarily provided, it would need to meet any calculation, format and legibility requirements.

3.2.2 Application to foods for retail sale

FSANZ proposes to retain the general approach proposed at the 1st CFS, including aligning the HSR and NIP requirements as closely as possible. FSANZ is however, providing some clarification and proposing minor amendments to the proposed approach for the reasons outlined in Sections 2.2, 2.3 and 2.4 of SD2. FSANZ is proposing the following changes as part of the 2nd CFS.

A HSR symbol would be required on the label of the following foods:

- a food required to bear a label with a NIP, unless expressly prohibited from displaying a HSR, including:
 - foods that do not vary in nutrient composition such as sugar
 - foods required to be labelled with a NIP because a nutrition content or health claim is made
 - formulated supplementary foods except for formulated supplementary foods for young children
 - imported foods.
- packaged water that receives an automatic HSR, despite not being required to be labelled with a NIP.

A HSR symbol would be prohibited for:

- special purpose foods except for formulated supplementary foods other than formulated supplementary foods for young children
- a beverage containing less than 0.5% alcohol by volume that is represented as a non-alcoholic or low alcohol alternative to an alcoholic beverage or is a brand extension of an alcoholic beverage
- a beverage, other than a brewed soft drink, containing no less than 0.5% alcohol by volume that is not a standardised alcoholic beverage
- a standardised alcoholic beverage
- a food represented as a cocktail mixer with directions for use that include the addition of an alcoholic beverage (such as a spirit)
- a kit intended to be used to produce a standardised alcoholic beverage
- kava
- foods delivered to a vulnerable person by a delivered meal organisation
- food, other than food in a package, provided to a patient in a hospital or medical institution.

A HSR symbol would be permitted voluntarily for:

- fruit, vegetables, legumes, fungi and herbs, as defined in the minimally processed fruit and vegetables algorithm override and exempt from the requirement to bear a label with a NIP (packaged or unpackaged) (relevant provisions outlined below would apply if the product is not included in the algorithm override):
 - the HSR symbol may be on the label or displayed in connection with the display of the food, no requirement for a NIP to be provided.
- unpackaged foods:
 - if a NIP is displayed in connection with the display of the food, the HSR symbol may be displayed in connection with the display of the food.
- food for retail sale not required to bear a label¹¹ and not required to be labelled with a NIP under Standard 1.2.1:
 - if a NIP is displayed in connection with the display of the food, the HSR symbol may be displayed in connection with the display of the food
 - if the food is labelled with a NIP, the HSR symbol may be on the label or displayed in connection with the display of the food.

¹¹ For example, foods made and packaged on premises from which it is sold, packaged in presence of purchaser, delivered packaged and ready for consumption, at the express order of the purchaser, packaged food sold at fundraising event and packaged food displayed in an assisted service display cabinet.

- food required to bear a label under section 1.2.1—6(1) but not required to be labelled with a NIP under Standard 1.2.8, except for packaged water:
 - the HSR symbol may be on the label of the food if the food is labelled with a NIP (including brewed soft drinks).
- food sold in a hamper:
 - the HSR symbol may be on the label or accompanying the food in the hamper if a NIP as required under Standard 1.2.1 is provided with the hamper for that food.
- food sold in small packages:
 - if the food is labelled with a NIP, the HSR symbol may be on the label.

The HSR would be prohibited in advertising for foods that are prohibited from displaying a HSR symbol. If used in advertising material (for foods not prohibited), the HSR would need to meet the requirements for calculation and design.

For foods sold from vending machines, the applicable provision above would apply subject to the individual food. For example, if a product is required to have a HSR symbol outside of the vending machine context, it would be required to have a HSR symbol if sold from a vending machine

3.3 HSR algorithm

3.3.1 Calculating a HSR

FSANZ is proposing a HSR would be determined using the algorithm as set out in Appendix 1 of SD1. This incorporates amendments to aspects of the algorithm used for the voluntary system, as explained below. FSANZ considers these proposed amendments are required to more closely align and incorporate the HSR algorithm into the Code's statutory framework.

FSANZ is not proposing any further amendments to the algorithm given the overall alignment of the HSR system with the ADG. However, FSANZ is interested in submitter views on whether rescaling Category 3D cheeses should be further considered as part of P1067 (see Section 3.7 of SD2).

3.3.2 Algorithm categories

For the reasons set out in Section 3.3 of SD2, FSANZ is proposing to retain the 6 HSR categories in the mandatory HSR system, with Categories 1, 2 and 3 identified as:

- Category 1: Beverages not captured in Category 1D, jelly and ice confections
- Category 2: Foods that are not captured by other categories
- Category 3: Fats, edible oils, and/or edible oil spread.

Categories 1D, 2D and 3D, specifically designed to account for the composition of dairy and dairy analogue foods, are identified as:

- Category 1D: A beverage containing milk, a dairy food from category 2D, and/or dairy analogues derived from legumes, cereals, nuts, and/or seeds
- Category 2D: Non-frozen dairy foods and/or dairy analogues derived from legumes, not captured in Category 1D or 3D
- Category 3D: Cheese, processed cheese, and/or analogues of cheese derived from legumes.

A food that consists of a mix of different foods (e.g. dairy and soy milk), all of which are within the same health star rating food category, is itself a food within that HSR category.

In addition, for categories 1D, 2D and 3D only:

- dairy alternative foods are referred to as dairy analogues
- Category 1D is intended to capture all dairy based beverages, including fermented yoghurt beverages
- foods would be required to be at least 75% dairy and/or dairy analogue ingredients/foods as applicable to the category to qualify within Category 1D, 2D or 3D
- a dairy food from any of these categories would be considered a dairy ingredient for the purposes of the 75% rule, irrespective of the product's category
- the following calcium and protein criteria would apply:

	Proposed calcium criteria for foods other than dairy analogues	Proposed calcium and protein criteria for dairy analogues
Category 1D	≥75 mg/100 mL or 100 g calcium	≥100 mg/100 mL or 100 g calcium. Legume-derived dairy analogue: ≥3% m/m protein derived from legumes. Dairy analogues derived from seeds, nuts and/or cereals: ≥0.3% m/m protein derived from seeds, nuts and/or cereals.
Category 2D	N/A	Yoghurt analogues and dairy dessert analogues derived from legumes: ≥3.1% m/m protein derived from legumes. Cheese analogues derived from legumes: ≥15% m/m protein derived from legumes (and contain <320 mg/100 g calcium to not be in Category 3D).
Category 3D	≥320 mg/100 g calcium	Cheese analogues derived from legumes: ≥15% m/m protein derived from legumes. ≥320 mg/100 g calcium.

3.3.3 Form of food

For the reasons outlined in Section 3.4 of SD2, FSANZ is proposing:

- a HSR would be calculated based on a food after reconstitution for foods where the label contains directions indicating the food is intended to be reconstituted with water before consumption
- a HSR would be calculated based on a food after draining for foods where the label contains directions indicating the food is intended to be drained before consumption
- a HSR would be calculated on an 'as sold' basis for all other foods
- the content of FVNL and the percentage of dairy or dairy analogue ingredients for the 75% rule would be calculated on the same basis as the HSR calculation
- the form of the food the HSR is based on for foods where the label includes directions for draining or reconstitution before consumption, must be set out in a statement adjacent to the HSR symbol on the label.

3.3.4 FVNL

For the reasons outlined in Section 3.5 of SD2, FSANZ is proposing:

- FVNL content could score modifying points (known as V points) in the HSR algorithm
- FVNL eligibility would be the same as that specified in the NPSC (i.e. S5—4(1) to (3) of the Code)
- all FVNL content, regardless of concentration level, would be treated the same in terms of FVNL content thresholds and associated V points in the HSR algorithm
- the non-concentrated FVNL thresholds and points table used in the voluntary system would be used to determine V points
- the content of FVNL is calculated on the same form of food as the HSR calculation.

3.3.5 Algorithm overrides

For the reasons set out in Section 3.2 of SD2, FSANZ is proposing algorithm overrides for the following:

- plain packaged water and carbonated water (5 stars). Cannot contain any ingredients other than carbon dioxide and fluoride.
- unsweetened water-based flavoured beverages (4.5 stars). Must not contain any ingredient other than water and food additives or processing aids permitted to be used in water based flavoured beverages¹² except for the following substances:
 - caffeine
 - colours
 - intense sweeteners
 - quinine
 - substances containing sodium.
- fresh and minimally processed fruit (excluding coconut), vegetables, fungi, legumes (except peanuts) and herbs (except stevia) (5 stars). These foods could contain water and processing aids and food additives permitted to be used in unprocessed fruits and vegetables, excluding those containing sodium and intense sweeteners.

3.3.6 Layers of packaging, multipacks, individual portion packs and multicomponent foods

For the reasons outlined in Section 3.6 of SD2, FSANZ is proposing:

- a HSR symbol would only be required on one layer of packaging, in alignment with subsection 1.2.1—6(2) of the Code
- the HSR symbol would need to be legible in accordance with the legibility requirements in the Code at the time of retail sale (section 1.2.1—24 of the Code)
- a HSR symbol would not be required on ‘individual portion packs’¹³
- a HSR symbol displayed on the front of the package could be displayed elsewhere on the package and/or on other layers of packaging
- packages containing individually packaged foods (individual portion packs) which are different and not intended to be consumed together and that are labelled with more than one NIP could either have:
 - one HSR symbol on the front of the package that indicates the lowest HSR of all the foods within the package, as well as separate HSR symbols presented together with the applicable NIPs; or

¹² Water-based flavoured drinks for the purposes of Schedules 15 and 18.

¹³ Food sold in packaging that includes individual packages for servings that are intended to be used separately

- each individual HSR symbol presented on the front of the package, together with an explanation of what food each HSR symbol applies to. This could just be the one HSR symbol if all foods had the same HSR score, despite different NIPs.
- multicomponent foods (i.e. packages for sale that contain different foods intended to be consumed together) with a single NIP would be required to display only one HSR symbol calculated for the combined food using the standard HSR calculation, as the components are intended to be consumed together
- for cheese and cracker multicomponent foods, one HSR symbol would be displayed, which would be calculated using a weighted average formula as set out in Section 3.2.3.3 of SD5 to the 1st CFS.

3.4 HSR symbol, location and presentation

3.4.1 HSR symbol

For the reasons set out in Section 5.1 of SD2, FSANZ is proposing the HSR system is presented to consumers using the trademarked HSR symbol and the HSR symbol comprises the stars element only. The use of the energy and nutrient elements would not be permitted. This would result in a single, standardised format for all foods displaying a HSR symbol in a mandatory system.

3.4.2 HSR symbol location

For the reasons set out in Section 5.2 of SD2, FSANZ is proposing a HSR symbol must be presented on the front of the package of food except for certain imported foods. HSR symbol(s) may also be displayed elsewhere on the label, providing the rating is the same as the rating displayed on the front of the package.

For imported foods that are re-labelled, meaning a new label is placed over incorrect information (i.e. over-sticker), FSANZ proposes the HSR symbol could be included on this new label, along with the other required information. In such cases, it would not be necessary to display the HSR symbol separately on the front of the package. This approach removes the need for an additional label or over-sticker solely for the HSR symbol on the front of the package.

3.4.3 HSR symbol presentation, legibility and placement

For the reasons set out in Section 5.3 of SD2, FSANZ is proposing a HSR symbol must be displayed according to the trademarked design which would be set out in the Code. The existing legibility requirements in the Code would apply to a HSR symbol.

FSANZ would consider including best practice information on presentation and legibility in guidance documents should they be prepared. See Section 6.2.2 for further information.

3.5 Declaration of algorithm components

For the reasons set out in Section 4 of SD2, FSANZ is proposing:

- calcium and FVNL content and information related to the 75% rule are to be provided to enforcement agencies on request
- the average quantity of dietary fibre is to be declared in the NIP on the label of the food when used in the HSR algorithm.

3.6 Key changes between 1st and 2nd CFS

FSANZ is proposing to make some changes to the approach proposed at the 1st CFS. Table 1 lists the approach proposed at the 1st CFS and any changes to the approach in this 2nd CFS (see SD2 for further details).

Table 1. Proposed changes from the 1st CFS

HSR system component	Proposed approach at 1st CFS	Change to proposed approach at 2nd CFS
Application of the HSR system – types of sales	<p>A HSR symbol:</p> <ul style="list-style-type: none"> would be required for food for retail sale that is required to bear a label, subject to certain exemptions and prohibitions would not be required, but could be provided voluntarily, for food sold to a caterer, other types of sales (not including retail sale) and intra company transfers. 	No change.
Application of the HSR system – foods for retail sale	<p>A HSR symbol:</p> <ol style="list-style-type: none"> would be required to be displayed for: <ul style="list-style-type: none"> foods that are required to bear a NIP packaged water that receives an automatic HSR (despite a NIP not being required on the label) may voluntarily be displayed for: <ul style="list-style-type: none"> foods where a NIP is provided voluntarily, including: <ul style="list-style-type: none"> packaged foods not required to bear a label and/or exempt from NIP requirements (including brewed soft drinks) foods in hampers unpackaged foods fresh and minimally processed fruit, vegetables, legumes and fungi, without needing to display a voluntary NIP, that receive an automatic HSR is prohibited to be displayed for: <ul style="list-style-type: none"> special purpose foods standardised alcoholic beverages 	<p>Greater clarity provided regarding when the HSR symbol must be on the label or can be otherwise 'displayed'.</p> <p>Foods exempt from bearing a label, including unpackaged food, may voluntarily display a HSR symbol in conjunction with the food (e.g. on a sign) when a NIP is also displayed in conjunction with that food (unless receiving an automatic HSR). Otherwise, if the food is voluntarily labelled with a NIP, the HSR symbol can be provided on the label voluntarily.</p> <p>Formulated supplementary foods (FSF) (not including FSF for young children) are now proposed to be required to display a HSR symbol. All other special purpose foods remain unchanged.</p> <p>The description for beverages represented as non-alcoholic or brand extension of an</p>

HSR system component	Proposed approach at 1st CFS	Change to proposed approach at 2nd CFS
	<ul style="list-style-type: none"> beverages containing $\geq 0.5\%$ alcohol by volume (ABV) that are not standardised alcoholic beverages and are not brewed soft drinks beverages containing $\leq 0.5\%$ ABV represented as non-alcoholic extensions of alcoholic beverages kits used to produce standardised alcoholic beverages kava foods delivered to a vulnerable person by a delivered meal organisation foods other than food in a package provided to a patient in a hospital or medical institution. 	<p>alcoholic beverage has been changed to a beverage (other than a brewed beverage) that contains $< 0.5\%$ ABV that is represented as a non-alcoholic or low alcohol alternative to alcoholic beverages or is a brand extension of an alcoholic beverage.</p> <p>A food represented as a cocktail mixer with directions for use that include the addition of an alcoholic beverage (such as a spirit) is also proposed to be prohibited.</p>
Application of the HSR system - Multipacks	<p>One HSR symbol that meets legibility requirements would be required on one layer of packaging for single food and packages containing individual servings of the same food intended for consumption as single portions not intended for individual sale.</p> <p>For packages that contain individual servings of foods of different varieties or flavours, intended for consumption as single portions and that are labelled with more than one NIP, the supplier may either:</p> <ul style="list-style-type: none"> display one HSR symbol on the front of the package that indicates the lowest HSR of all the foods within the package, as well as separate HSR symbols presented together with the applicable NIP; or display each individual HSR symbol on the front of the package, together with an explanation of what food each HSR symbol applies to. This could be one HSR symbol if all foods have the same HSR. 	No change.
HSR category names	<p>HSR category names were:</p> <ul style="list-style-type: none"> Category 1: All beverages not captured in 1D, jellies and ice confectionery Category 1D: Milk, milk-based beverages and dairy beverage analogues derived from legumes, cereals, nuts, and/or seeds, including dried milk/milk analogues Category 2: Foods that do not fit in any other category Category 2D: Non-frozen dairy foods, and dairy analogue foods derived from legumes, not included in category 1D or 3D 	<p>Category names changed including:</p> <ul style="list-style-type: none"> Category 1: Beverages not captured in Category 1D, jelly and ice confections Category 1D: A beverage containing milk, a dairy food from category 2D, and/or dairy analogues derived from legumes, cereals, nuts, and/or seeds Category 2: Foods that are not captured by other categories

HSR system component	Proposed approach at 1st CFS	Change to proposed approach at 2nd CFS
	<ul style="list-style-type: none"> Category 3: Fats and edible oils Category 3D: Cheese and processed cheese, and cheese analogues derived from legumes 	<ul style="list-style-type: none"> Category 2D: Non-frozen dairy foods, and/or non-frozen dairy analogues derived from legumes not captured in Category 1D or 3D Category 3: Fats, edible oils, and/or edible oil spreads Category 3D: Cheese, processed cheese and/or analogues of cheese derived from legumes
HSR category requirements – categories 1D, 2D and 3D	<p>Criteria and requirements for dairy and dairy analogue based HSR categories were as follows:</p> <p>For Category 1D:</p> <ul style="list-style-type: none"> dairy beverages would need to contain ≥ 100 mg/100 mL calcium milk powder and buttermilk would be specifically listed in this category <p>For Category 2D:</p> <ul style="list-style-type: none"> fermented milk beverages (such as kefir) and yoghurt beverages would be specifically listed in this category <p>For Category 3D:</p> <ul style="list-style-type: none"> references to protein levels for dairy analogues would be removed <p>For all categories:</p> <ul style="list-style-type: none"> all dairy ‘alternative’ foods would be referred to as dairy ‘analogues’ instead permitted dairy and dairy alternative ingredients would no longer be listed definitions in the Code would be used to determine what dairy foods are included in each category and permitted within the 75% rule (i.e. a food must contain $\geq 75\%$ dairy/dairy analogue content) the calculation of dairy/dairy analogue content for the 75% rule would need to be calculated using the appropriate method in Standard 1.2.10 – Characterising ingredients and components of food. 	<p>Category 1D dairy beverages would need to contain:</p> <ul style="list-style-type: none"> if a dairy analogue, ≥ 100 mg/100 mL calcium, otherwise, ≥ 75 mg/100 mL calcium. <p>Fermented milk beverages (such as kefir) and yoghurt beverages would be Category 1D.</p> <p>Re-inclusion of protein criteria for dairy beverage analogues in Category 1D:</p> <ul style="list-style-type: none"> $\geq 3\%$ m/m protein for legume-derived dairy analogues $\geq 0.3\%$ m/m protein for dairy analogues derived from seeds, nuts and/or cereals. <p>Re-inclusion of protein criteria for cheese analogues in Category 3D:</p> <ul style="list-style-type: none"> $\geq 15\%$ m/m protein derived from legumes <p>The calculation of dairy/dairy analogue content for the 75% rule would <u>not</u> need to be calculated using the appropriate method in Standard 1.2.10.</p>

HSR system component	Proposed approach at 1st CFS	Change to proposed approach at 2nd CFS
Algorithm overrides	<p>The HSR system would have 3 algorithm override to allow the following 3 foods to receive an automatic HSR without the need to calculate the HSR using the algorithm:</p> <ul style="list-style-type: none"> • plain packaged water and carbonated water (5 stars). No additives permitted except carbon dioxide for sparkling water. • unsweetened water-based flavoured beverages (4.5 stars). Could contain additives permitted to be used in water based flavoured drinks except for quinine, intense sweeteners, colours and food additives containing sodium. Could not contain any other ingredients or those additives specifically permitted in electrolyte drink and electrolyte drink bases, cola type drinks (caffeine), and brewed soft drinks. • fresh and minimally processed fruit, vegetables, fungi and legumes (5 stars). These foods could contain food additives permitted to be used in fruits and vegetables, taking into account the type of processing. 	<p>Inclusion of fresh herbs in the fresh and minimally processed override.</p> <p>Greater clarity provided regarding the category definitions and criteria.</p>
Multicomponent foods	For packages that contain different types of foods intended to be consumed together (multicomponent foods), one HSR symbol would be displayed using the standard HSR calculation. However, the HSR for a multicomponent food containing cheese and crackers would be calculated using a weighted average formula.	No change.
Form of the food	<p>A HSR would be calculated on a reconstituted basis for foods intended to be reconstituted with water before consumption.</p> <p>For foods intended to be drained of any liquid, including oil or syrup, a HSR would be calculated on an 'as drained' basis instead of on an 'as sold' basis for foods intended to be drained of oil or syrup.</p> <p>There would be an additional requirement for wording that clearly indicates a HSR relates to the food 'as drained' or 'as reconstituted' together with the HSR symbol for foods which have a HSR calculated 'as reconstituted' or 'as drained'.</p> <p>A HSR for all other foods would be calculated on an 'as sold' basis.</p>	<p>A HSR symbol would be required to clearly indicate the form of the food it relates to for foods clearly intended to be drained or reconstituted before consumption. However, the exact wording will not be specified.</p> <p>The percentage of FVNL and percent of dairy or dairy analogue ingredients for the 75% rule would be calculated 'as drained' for foods where the NIP clearly indicates draining.</p>
Fruit, vegetable, nut and legume (FVNL) content	Concentrated FVNL would be removed from the system. All FVNL content, regardless of concentration level, would be considered non-concentrated FVNL and use the non-concentrated FVNL threshold and points table.	<p>Eligibility will mirror NPSC requirements.</p> <p>The percentage of FVNL would not need to be</p>

HSR system component	Proposed approach at 1st CFS	Change to proposed approach at 2nd CFS
	The percentage of FVNL would be calculated using the appropriate calculation for determining the percentage of characterising ingredients in Standard 1.2.10.	calculated using the appropriate method in Standard 1.2.10. The percentage of FVNL would be calculated 'as drained' for foods where the NIP clearly indicates draining.
Declaration of algorithm components	<p>The average quantity of dietary fibre and calcium per 100 g/100 mL and FVNL content as a percentage would be required to be displayed on the label when used in the algorithm or to determine the HSR category of the food (businesses are currently encouraged to list the FVNL content as a percentage in the ingredients list or to keep records to substantiate FVNL claims).</p> <p>FVNL content would be required to be provided on request to enforcement agencies when it is used in the HSR algorithm for foods which are not required to bear a label.</p>	<p>The average quantity of dietary fibre per 100 g/100 mL to be displayed on the label when used in the algorithm.</p> <p>FVNL content as a percentage when used in the algorithm and calcium per 100 g/100 mL and the amount of dairy components or dairy analogue ingredients as a percentage when used to determine the HSR category to be provided to enforcement agencies on request.</p>
HSR symbol	The HSR symbol would be the stars element only. No other elements currently permitted, such as energy and nutrient icons, would be permitted.	No change.
HSR location on pack	<p>The HSR symbol must be presented on the front of the package of food except for certain imported foods. HSR symbol(s) may also be displayed elsewhere on the label in certain circumstances, providing the rating is the same as the rating displayed on the front of the package.</p> <p>For imported foods that are re-labelled, meaning a new label is placed over incorrect information (i.e. over-sticker), the HSR symbol could be included on this new label, along with the other required information. In such cases, it would not be necessary to display the HSR symbol separately on the front of the package.</p>	No change.
HSR symbol presentation, legibility and placement	The HSR symbol must be displayed according to the trademarked design which would be set out in the Code. The existing legibility requirements in the Code would apply to a HSR symbol.	No change.

4 Risk communication

4.1 Consultation

Consultation is a key part of FSANZ's standards development process. FSANZ acknowledges the time taken by individuals and organisations to make submissions on this proposal. The FSANZ Board has regard to all submissions received. All comments are valued and contribute to the rigour of our assessment.

The release of this 2nd CFS will be notified via the FSANZ Notification Circular, a media release, Food Standards News, and supported by updated website information. FSANZ will host webinars to further engage interested parties during the consultation period.

FSANZ has prepared a communication strategy for this proposal, which includes a range of communication strategies with key stakeholders and information for the broader community.

4.2 World Trade Organization (WTO)

Australia and New Zealand are members of the World Trade Organization (WTO) and therefore are legally obliged to follow the rules of WTO trade related agreements. The Technical Barriers to Trade (TBT) Agreement recognises countries' rights to adopt standards for the protection of human health at the level it considers appropriate provided that such measures are in accordance with that Agreement (WTO 1995).

As members of the WTO, Australia and New Zealand are obliged to notify WTO members where proposed mandatory regulatory measures are not substantially the same as existing international standards and the proposed measure may have a significant effect on trade.

There are overseas standards for FoPL in several countries however internationally, there is no single consistent approach to FoPL schemes (see Section 1.8). Amending the Code to require packaged foods to display a HSR symbol may affect international trade because this requirement is different from requirements in other countries. Therefore, a notification to the WTO under Australia's and New Zealand's obligations under the WTO TBT Agreement was made at the 1st CFS to enable other WTO members to comment on the proposed arrangements. In response to this WTO notification, submissions were received from PR China, the EU and Indonesia. A summary of issues raised in these submissions and FSANZ's response is provided in Table A at Appendix 3.

FSANZ has made a second notification to the WTO to enable WTO members to comment on the proposed draft variation as at Attachment A.

5 FSANZ Act Assessment Requirements

Supporting document 4 (SD4) provides an assessment against the FSANZ Act requirements for Proposal P1067.

5.1 Draft variation

The draft variations to the Code are at Attachment A and are intended to take effect on gazettal.

The draft explanatory statements are at Attachment B. An explanatory statement is required to accompany an instrument if it is lodged on the Federal Register of Legislation.

6 Implementation

6.1 Transitional arrangements

At the 1st CFS, FSANZ noted food businesses would be given a transition period to make the required labelling changes and comply with the Code but did not propose specific timeframes.

The proposed draft variation prepared by FSANZ provides transitional arrangements to give businesses time to coordinate a regulatory labelling change with routine labelling updates.

6.1.1 Submitter comments

At the 1st CFS, most industry submitters supported a longer transition period (2-10 years), together with stock-in-trade provisions. They considered this necessary to accommodate the scale, costs and operational impact of updating packaging, advertising, online information and administrative systems, and to align implementation with existing print cycles to minimise product waste. The importance of flexibility for imported products, small businesses, seasonal products and products with a longer shelf life was also noted. Some submitters also suggested a staged implementation approach and emphasised any future changes arising from updates to dietary guidelines or HSR requirements should be considered when determining implementation timeframes.

In contrast, a small number of submitters from other sectors supported a shorter timeframe (1-2 years) noting it would allow consumers to benefit sooner and reduce confusion, while noting industry has had several years to prepare under the voluntary system.

6.1.2 FSANZ response

FSANZ is currently considering implementing a common commencement date, which will align the end of transitional arrangements to a single annual date (proposed 30 May). FSANZ is in the process of finalising its consideration of this work and will consider its impact in relation to this proposal.

At this stage, FSANZ proposes a transition period for P1067 of 3 years beginning on the date of gazettal of the draft Standard. During the transition period, a food may be sold if the product complies with either the Code as in force without the variations made by all four of the draft instruments (if approved), or with the Code as amended by those draft instruments.

FSANZ is also proposing to apply a separate 2-year stock-in-trade period commencing on the day after the above 3-year transition period ends. This would mean a product packaged and labelled before the end of the transition period may be sold for 2-years after the transition period ends if it complies with the Code as:

- in force without the variations made by all four of the draft instruments (if approved), or
- as amended by those draft instruments.

This is intended to reduce food wastage and costs associated with relabelling such foods already in the food supply, particularly those with a long shelf-life.

In developing these transitional arrangements, FSANZ considered the complex and diverse regulatory changes proposed. FSANZ also further considered the range of products on the market required to adopt the proposed labelling requirements, the costs and practicalities of transition for industry, submitter views, precedents for transitional arrangements for other relevant FSANZ proposals and applications.

The 3-year transition period would minimise costs for businesses, particularly for smaller businesses where costs may be disproportionately higher, while not unduly delaying implementation of the amendments. A transition period of 4 years or greater may unnecessarily prolong the implementation of the proposed amendments with a resulting cost to public health and safety.

6.2 Education

6.2.1 Consumer education

Consumer research undertaken by FSANZ indicates most consumers recognise the more stars the healthier the food, however many do not understand the HSR system should be used to compare similar foods only (See Section 3.1.2 of the 1st CFS). Therefore, education is needed to enable and encourage consumers to use the HSR system as intended and to support healthier choices aligned with dietary guidelines.

6.2.1.1 Submitter comments

At the 1st CFS, submitters emphasised consumer education would be critical to the effective implementation of a mandatory HSR system and to build trust. They suggested education programs should explain the purpose of the HSR system, how ratings are calculated, how consumers should use the HSR system to compare similar products, what the HSR does and does not measure, and any changes associated with the transition to a mandatory scheme.

Submitters also noted previous education initiatives were limited in scale and funding and had minimal impact on consumers. They suggested any new initiatives should have the necessary resources and be tailored to meet the needs of diverse audiences. Many also considered that education should extend beyond the HSR symbol itself to include broader nutrition information, such as how to interpret NIPs and food labels more generally. Some submitters also stated broader nutrition education, including education on dietary guidelines and healthy eating patterns, should be prioritised.

6.2.1.2 FSANZ response

FSANZ supports the need for education and awareness activities to maximise the effectiveness of a mandatory HSR system and to build trust. However, as noted in the 1st CFS, FSANZ does not have the resources, and it is outside the remit of FSANZ to deliver broad, ongoing public education or compliance campaigns associated with food regulation. If the HSR system were mandated, FSANZ's contribution would be focused on developing explanatory materials to support understanding of the regulatory framework and requirements under the Code. Broader public education initiatives to promote awareness, correct use and trust in the HSR system would require coordination, leadership and resourcing across relevant agencies in Australia and New Zealand.

6.2.2 Guidance materials

At the 1st CFS, FSANZ noted stakeholders desire for clear guidance to support implementation and enforcement of a mandated HSR system.

6.2.2.1 Submitter comments

Submitters consistently requested the development of guidance materials to support the implementation and ongoing use of the HSR system. They emphasised the need for clear guidance to promote consistent interpretation and enforcement across the jurisdictions in Australia and New Zealand.

Submitters suggested guidance should cover areas such as the application of the HSR system, HSR categories, calculation methods and labelling requirements, and include practical worked examples. Many also highlighted the need for information tailored to small businesses. In addition to written guidance, submitters advocated for ongoing support mechanisms, such as online tools and helpdesk services, to assist stakeholders with implementation and compliance.

6.2.2.2 FSANZ response

While FSANZ is responsible for developing draft food regulatory measures for FMM endorsement, guidance on compliance and enforcement of approved measures is currently the responsibility of States and Territories in Australia and MPI in New Zealand. FSANZ will work with jurisdictions to explore the development of guidance materials and tools to support effective and consistent implementation of any mandatory HSR requirements.

More broadly, the FSANZ Act Review includes a recommendation for FSANZ to have a limited compliance and enforcement function in Australia. This provides a basis for considering whether FSANZ could have a role in supporting nationally consistent implementation and enforcement of mandatory HSR, subject to government decisions, legislative authority and resourcing. Accordingly, roles and responsibilities for supporting compliance with, and enforcement of, any mandatory HSR requirements may evolve as decisions on implementation of the FSANZ Act Review are made.

6.3 Monitoring and review

At the 1st CFS, FSANZ noted stakeholders desire for independent and timely review processes.

6.3.1.1 Submitter comments

Submitters emphasised the need for independent and timely review processes to ensure the HSR system remains aligned with changes in the food supply, emerging scientific evidence and dietary guidelines. Many also highlighted the importance of ongoing monitoring and evaluation to assess the performance of the system and inform future improvements.

Suggested areas for monitoring included consumer understanding and use of the HSR system, the impact of displaying HSR alongside nutrition and health claims, purchasing behaviours, dietary patterns, product reformulation, and the costs associated with implementation and compliance.

Some submitters considered existing FSANZ Act processes are not well suited to undertaking timely reviews and updates of the HSR system. They stated that relying on standard application processes to make future changes could be resource intensive and may lead to multiple product- or category-specific applications that are not aligned with the public health objectives of the HSR system. Submitters also expressed concerns that this approach could divert FSANZ resources from broader, system-wide reviews and improvements.

6.3.1.2 FSANZ response

FSANZ acknowledges the importance of ongoing monitoring, evaluation and periodic review to ensure the HSR system remains aligned with its public health objectives, consumer needs, emerging evidence, changes in the food supply and relevant dietary guidance. FSANZ will continue to monitor the evidence base as it becomes available, to identify areas where further assessment or review may be warranted.

Any future changes to the system including the algorithm would be considered in accordance with statutory processes set out in the FSANZ Act, either via an application or proposal. Revisions to the Australian or New Zealand dietary guidelines could be a trigger for FSANZ to assess whether a proposal should be raised to consider a change to the HSR system requirements in the Code.

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Attachments

- A. Draft variations to the Australia New Zealand Food Standards Code
- B. Draft Explanatory Statements

Appendix

- 1. Questions for submitters
- 2. FSANZ response to key submitter issues raised in the 1st CFS
- 3. FSANZ response to key issues received via WTO notification to the 1st CFS

Appendix 1: Questions for submitters

FSANZ invites stakeholders to provide comment on FSANZ's assessment, regulatory approach and draft variation outlined in this paper. To help facilitate this feedback, FSANZ has proposed a series of questions for submitters which can be accessed from the FSANZ Consultation Hub and are provided below. Responses to these questions will inform FSANZ's decision on whether to approve, amend or reject the proposed draft variation.

1. Do you support the proposed changes outlined in Table 1 of this 2nd CFS? Please provide reasons for your response and, where relevant, identify any specific change that you do not support or consider could be improved.
2. Should Category 3D cheeses be rescaled using the larger and more up-to-date dataset as part of P1067 (see section 3.7 of SD2)? Please provide reasons and supporting evidence for your response.
3. Do you have any comments on the Consultation Regulation Impact Statement (SD3), including the impacts identified or analysis of costs and benefits? Please provide reasons for your comments and/or data, evidence, or examples to support your views, including any suggestions for alternative assumptions, analysis, or approaches.
4. Do you have any comments on the draft variation, including whether any provisions could be clarified or improved? Please provide reasons for your comments and where relevant identify the specific provision/s concerned and provide any supporting evidence.
5. Is there any other information relevant to the second call for submissions for P1067 that you would like to provide that has not been addressed in your responses to the questions above?

Appendix 2: FSANZ response to key submitter issues raised in the 1st CFS

Table A lists all submitters to the 1st CFS.

Tables B1-B8 compile key issues raised by submitters and FSANZ responses to these issues.

List of tables

Table A.	Submitters to the 1st CFS
Table B.1.	Application of the Health Star Rating System
Table B.2.	Health Star Rating Algorithm
Table B.3.	Health Star Rating Categories
Table B.4.	Form of the Food
Table B.5.	Health Star Rating System Display
Table B.6.	Declaration of Health Star Rating Algorithm Components
Table B.7.	Costs and Benefits
Table B.8.	Implementation and Other Issues

Table A: Submitters to the 1st CFS

Submitter	
A Verkerk Ltd	Kyneton Olive Oil
AA HOLDINGS	Lactalis Australia Pty Ltd
ACEITES ABASA SAU	Lactalis-Mainland Dairy
ACEITES MAEVA, S.L.U.	Latrobe Community Health Service
ACESUR	Lee Kum Kee International Holdings Limited
Agromillora Australia	Liggins Institute, University of Auckland
AGROVIM SA	Link Foods New Zealand Ltd
Ahi Mokopuna Limited Partnership t/a Akaroa King Salmon	Long Road Olive Co-operative Ltd
ALDI Stores Australia	Longridge Olives
Alternative Proteins Council	Macaw Creek Olives
Altibbe Inc.	Maluka Estate
Apollo Foods Limited	Mars Inc.
Aquaculture New Zealand	McCabe Centre for Law and Cancer
Arnott's Group	McCormick Foods Australia
Ashbolt	Meat & Livestock Australia
ASOLIVA	MEDI363/963 Community and Public Health Nutrition at the University of Wollongong
Australasian Food Group	Melaleuca Inc
Australian Association of Convenience Stores	Ministry of Health
Australian Beverages Council Limited	MINMAX Fitness
Australian Breastfeeding Association	Mondelez International
Australian Chronic Disease Prevention Alliance	Monini Australia Pty Ltd
Australian Dairy Industry Council	Mount Zero Olives
Australian Dental Association	MSAC Solutions
Australian Eggs Limited	National Eating Disorders Collaboration
Australian Food and Grocery Council	National Health and Medical Research Council
Australian Government Department of Health, Disability and Ageing	National Heart Foundation of Australia
Australian Honey Bee Industry Council	National Heart Foundation of New Zealand
Australian Industry Group	Nestle Australia Ltd
Australian Meat Industry Council	New Zealand Beekeeping Incorporated
Australian Medical Association	New Zealand Beverage Council
Australian Native Nuts & Chocolates Pty Ltd	New Zealand College of Public Health Medicine
Australian Olive Association Ltd	New Zealand Dental Association

Submitter	
Australian Olive Oil Association	New Zealand Food Safety
Australian Retail Council	Noble Estate Limited
BasketDNA	NSW Food Authority
Beef + Lamb New Zealand Inc.	Nullamunjie Olive Oil Pty Ltd
BHOG	Nuts for Life
Blue Earth Estate	Oasis Olives
Bright Food Asia Pacific	Oatly AB
Bulla Dairy	OBH Print
Business NSW Northern Rivers	Ocean Spray Cranberries Inc
Cancer Council Australia	Olive Growers Victoria
Cancer Society Central Districts	Olives New Zealand Incorporated
Cancer Society of New Zealand	Olives on the Hill Limited
Carman's Fine Foods	OLIVITE EXPORT S.L.
Central Australian Aboriginal Congress	Oral Health Victoria
CG&M Burdon	Oruaiti River Olives Ltd
Chapman River Olives	OzHarvest
Chia	Petra Olive Oil
Chief Nutrition	Pietro Coricelli Spa
CHO Company	Pressing engagements
Choice	Preventive Health SA
Chr. Hansen Pty Ltd	Public Health Advocacy Institute
Citrus Australia	Public Health Association of Australia
Cobram Estate Olives Limited	Public Health Association of New Zealand
Consumer NZ	Public Health Special Interest Group of Dietitians New Zealand
Corval Group	Queensland Consumers Association
CV Garlic	Rio Vista Olives
Dairy Companies Association of New Zealand (DCANZ)	Rosnay Organic Wines Pty Ltd
Dairyworks Ltd	Sanitarium Health Food Company
Danone Nutricia Pty Ltd	Seafood New Zealand Limited
DCOOP.S. COOP. AND	Shore Mariner Ltd t/as Markwell Foods
Department for Health and Wellbeing - SA	Simplot Company
Diabetes Australia	Slow Food Swan Valley And Eastern Regions Inc
Dietitians Australia	Small Business Development Corporation

Submitter	
DKSH Australia	Snowy Mountain Estate
Eating for Wellness Inc	Spudoli Olives
Edgar Diabetes and Obesity Research Centre, University of Otago	Squeaky Gate
Edmar Family Trust for Gidge Springs Extra Virgin Olive Oil.	Stroke Aotearoa New Zealand
FJ Fleming Food Consulting is submitting on behalf of a food company described below.	Sumich
Fleurieu Milk Company Pty Ltd	Tasman Bay Food Co Ltd
Flinders Island Olives	Te Aowhaitini Ltd
Fonterra Cooperative Group	The a2 Milk Company Limited
Food and Beverage Importers Association (FBIA)	The Australian Institute of Food Science & Technology Ltd (AIFST)
Food for Health Alliance	The Dinner Ladies
Foodcore Nutrition Services Inc.	The Food Company
Foodstuffs (N.Z.) Ltd	The George Institute for Global Health
Frankland River Olive Company Pty Ltd	The Magnum Ice Cream Company
GeneEthics Ltd	The New Zealand Food and Grocery Council (NZFGC)
General Mills Australia Pty Ltd	The New Zealand King Salmon Co. Ltd
Glenore Grove Pty Ltd t/as Cockatoo Grove	The Olive Centre
Global Centre for Preventive Health and Nutrition, Deakin University	The Tasmanian Department of Health
Goodman Fielder Pty Ltd and Goodman Fielder New Zealand Ltd	The TATUA Co-operative Dairy Company Limited
GS1 New Zealand	Treetops Plantation
Health Coalition Aotearoa	True Protein
Health Lab Naturally Good	Tumbi Umbi Branch Australian Labor Party
Health New Zealand Te Whatu Ora National Public Health Service	UMF Honey Association
Health Promotion Service, South Western Sydney Local Health District (SWSLHD)	United Fisheries Ltd
Healthcare Product Specialists	University of Auckland Faculty of Medical and Health Sciences Nutrition Team
Healthway - The Western Australian Health Promotion Foundation	UNSW
Healthy and Sustainable Food Systems Research Group, Deakin University.	Vegan Australia
Healthy Food Systems Australia (HFSA)	VicHealth
HelloFresh (Grocery Delivery E-Services AU Pty Ltd)	Victorian Aboriginal Community Controlled Health Organisation
High Country Salmon Limited	Victorian Food Regulation Standing Committee
Horticulture New Zealand	Viva Perfetto Australia Pty Ltd
Hunter's Dream Estate Pty Ltd	WA Department of Health

Submitter	
IKEA Pty Limited	Waikawa Glen Limited
International Olive Council	Wattle Hill Olives
Juno Olives	Wintulichs Pty Ltd
Kellogg (Aust) Pty Ltd	Woolworths Group
Kikkoman Australia Pty Ltd	Yakult Australia
Koko Black	Individual submissions
Kraft Heinz	Private submissions

Tables B1-B8: FSANZ response to key issues raised by submitters to the 1st CFS

Table B.1. Application of the Health Star Rating system

Issue	FSANZ response
Application to specific foods	
<ul style="list-style-type: none"> • The requirement for products carrying a NIP to carry a HSR does not recognise the diversity of retail formats, consumer purchase occasions and product categories and penalises producers who must put the NIP on labels. • Requiring a HSR on water may offer limited consumer value because water is already readily identifiable as a healthier choice. • Discretionary foods, toddler snack foods, foods with non-sugar sweeteners, and UPFs should be either prohibited from displaying HSRs or be capped at a very low rating. • Voluntary rather than mandatory application should be applied to specified foods and retail settings as follows: <ul style="list-style-type: none"> - sole traders/artisan food producers/small businesses - single ingredient foods such as honey, olive oil, core single ingredient dairy, eggs - plain fresh meat and seafood - fats and oils - products labelled in store that require a NIP - functional probiotic products - discretionary foods. • The HSR should be expanded beyond traditional retail settings, and be required on products sold through fast food, institutional and catering environments where consumers make food choices. • The HSR system was not designed for food service outlets. Permitted application could create several issues, including selective application and increased implementation and enforcement complexity. • The algorithm was not developed for food service foods. The HSR should not be extended to these foods until sufficient work is undertaken to understand how the extension would operate in practice. The application should enable meaningful product comparison and not be used as a promotion method. 	<p>FSANZ is proposing to maintain the general approach proposed at the 1st CFS for the foods required to display the HSR symbol. See Section 2 of SD2 and additional responses below for further information.</p> <p>In general, the proposed approach seeks to align the requirements for a HSR symbol with those for the NIP, supporting consistency between the information presented in each and enabling them to complement each other.</p> <p>For foods sold from food service outlets such as restaurants, fast food outlets, institutional and catering environments FSANZ is proposing the HSR symbol would either be required, voluntary or prohibited in the same way as for any other food for retail sale. In practice, this means for example, the HSR symbol:</p> <ul style="list-style-type: none"> • could not be provided on menus unless the menu with the HSR was provided in connection with the display of the food • would be unlikely to be provided for restaurant meals as a NIP would also need to be provided in connection with that meal • could be provided voluntarily on the label of a takeaway food such as pizza purchased from a shop making and packaging pizza, if the pizza is also labelled with a NIP. <p>The application of these requirements is provided for in sections 1.2.13—8 and 1.2.13—9 of the draft variation.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> Applying HSR to single-ingredient foods may provide limited value where meaningful comparator products are unclear, for example eggs, honey or sugar. Doing so would require additional consumer education to support interpretation. 	<p>There is no clear basis for defining an exemption for single ingredient foods. These foods are required to be labelled with a NIP, even if they don't vary in nutrient composition. The proposed approach is therefore consistent with the current approach in the Code for the provision of nutrition information.</p>
Confectionery	
<ul style="list-style-type: none"> Products with insignificant nutritional and energy contribution, for example sugar free chewing gum and mints, should be exempt or an adapted treatment of the HSR should be considered. The HSR does not account for serving size and assessing these products on a 100 g basis may not reflect typical consumption and may result in a misleading nutritional assessment, particularly for products consumed in very small amounts that make a negligible contribution to overall energy or nutrient intake. Consumers already know confectionery as a sometimes food/indulgence and nutritional comparisons are typically not the primary driver of purchase. For premium chocolate shops consumers are selecting from a single premium chocolate brand rather than comparing products across competing manufacturers. This together with the lack of variation in HSRs for these products offers negligible incremental consumer value and renders the HSR pointless. An alternative approach should be considered for premium packages (e.g. gift boxes, seasonal products, limited-edition packaging), as a prominent HSR symbol would detract from the intended purpose of these products without delivering meaningful consumer benefit. Alternative approaches could include the provision of nutritional information on the back of pack, use of shelf signage, brochures or digital information, rather than requiring mandatory FoP application of the HSR. Premium gifting products should not be required to carry the HSR symbol on FoP. Instead, these products should be allowed to display the HSR on back of pack, or shelf signage, or brochures or through digital avenues. 	<p>FSANZ is proposing to maintain the approach proposed at the 1st CFS for these foods, i.e. the HSR symbol would be required unless an exemption applies, such as for small packages.</p> <p>The algorithm is designed to assign a star rating to these foods based on their nutrient profile.</p> <p>Although sugar free gum and mints may contribute negligible amounts of the components used in the algorithm, displaying a HSR will allow comparison with gums and mints containing higher amounts of sugar and energy. Although, some products may be exempt from displaying a HSR where, for example, they are not required to carry a NIP because of their small package size.</p> <p>Using a consistent basis of 100 g or 100 mL enables consumers to compare similar foods at the point of sale, regardless of how the food is consumed to improve consumer use and understanding.</p> <p>See Section 2.2 of SD2 regarding confectionery, premium chocolate shops and gifting products.</p>
Foods for infants/young children	
<ul style="list-style-type: none"> No HSRs should be displayed on food marketed to children and parents. More caution should be applied to infants and children and the boundaries of the HSR categories for foods for young children need to be considered to ensure high ratings for unhealthy foods is corrected. 	<p>FSANZ is proposing to maintain the approach proposed at the 1st CFS for these foods - see sections 2.2.6.1.4 and 2.2.6.2.1 of SD5 to the 1st CFS. The HSR would be prohibited on the following special purpose foods: infant formula products, food for infants and formulated supplementary foods for young</p>

Issue	FSANZ response
<ul style="list-style-type: none"> • A decision on the application of HSR to foods for infants and children should be deferred until FSANZ completes its work in this area, because at present, the composition, labelling and texture of commercial foods for young children may not align with Australian and New Zealand infant and toddler feeding guidelines. • Where a HSR is provided on these foods, public messaging to the effect that these foods should not replace whole/home cooked foods, should accompany the HSR. • Consumer education will be needed as consumer confusion will likely occur in understanding why some products aimed at a specific age range may display HSRs (commercial foods for infants and young children) while other products aimed at the same age will not. 	<p>children; with no additional specific prohibitions for foods marketed for young children. See Section 2.4 of SD2 for further information.</p>
Prohibited foods	
<ul style="list-style-type: none"> • In addition to the specified prohibited foods, the HSR should be prohibited on unapproved novel foods and coffee and formulated caffeinated beverages (FCBs). • The HSR system should be prohibited from use as a policy tool in other settings, or a regulatory threshold for procurement including school canteens, community settings or restrictions on marketing to children. • Meals delivered to a vulnerable person by a delivered meal organisation may conflict with a delivered meal not prepared specifically for a vulnerable person but utilised by them. These meals are currently available and subsidised through the NDIS. 	<p>FSANZ is not proposing a specific prohibition for these foods for the following reasons:</p> <ul style="list-style-type: none"> • if a food or ingredient in a food is an unapproved novel food according to the Code, it would be prohibited for retail sale in Australia and New Zealand. • existing risk management measures apply to FCBs, and there is no prohibition of claims or promotion of FCBs or coffee. A specific prohibition on displaying the HSR would therefore be overly restrictive. • coffee products such as instant coffee, coffee beans and espresso coffee served in a café would generally not be required to be labelled with a HSR under the proposed approach, as they would not normally be required to be labelled with a NIP. <p>Use of the HSR as a policy tool is outside the scope of this Proposal. Consideration of such use would need to be undertaken as part of broader policy work across the Food Regulation System.</p> <p>FSANZ acknowledges that there may be overlap where meals available to the general population are also supplied to vulnerable people, including through subsidised programs. However, the prohibition on displaying the HSR symbol on meals prepared specifically for vulnerable people remains appropriate (see section 2.2.6.2.3 of SD5 to the 1st CFS). Requiring the HSR symbol on meals available to the broader population would provide all consumers with information to support healthier food choices.</p>

Issue	FSANZ response
Formulated Supplementary Foods (FSF)	
<ul style="list-style-type: none"> • Oppose the prohibition of HSR on FSF due to the following concerns: <ul style="list-style-type: none"> - reduced consumer trust and confidence in both the products and the HSR system. - removing HSR from FSF could create gaps in shelf application, reduce consistency across products and make it more difficult for consumers to compare products. - consumers may not understand why HSR has been removed from products that have historically displayed it, and removal could be interpreted as a decline in nutritional quality. - the absence of evidence of adverse outcomes under the voluntary system. - removing HSR may weaken incentives for manufacturers to maintain favourable nutritional profiles. • Instead of prohibiting it was suggested that a voluntary HSR should be permitted on specific FSF categories where meaningful comparison with similar products is possible. • Consideration must be given to the <i>New Zealand Supplemented Food Standard 2016</i> as inconsistent requirements for foods produced under this standard and FSF undermines the goal of the HSR system of providing consistent, comparable information. 	<p>FSANZ notes submitter feedback and has reconsidered the application of the HSR on FSFs. FSANZ is now proposing a HSR symbol would be required on FSFs (except for FSF for young children). See Section 2.4 of SD2 for further information.</p> <p>The NZ Supplemented Food Standard and its operation is outside of FSANZ's remit.</p>
Formulated supplementary sports foods (FSSF)	
<ul style="list-style-type: none"> • FSSF should be permitted to display a HSR to aid comparison between products which are compared by consumers, and which serve a similar purpose, for example protein and nutrition bars. • A HSR should be required on these products (in addition to FSF) to prevent manufacturers from avoiding HSR obligations simply by classifying products under specialised categories. 	<p>FSANZ proposes the HSR symbol continue to be prohibited on FSSFs. See Section 2.4 of SD2 for further information.</p>
Voluntary application	
<ul style="list-style-type: none"> • Oppose voluntary application with mandatory application suggested for the following: <ul style="list-style-type: none"> - core foods like fruit and vegetables and meats - on the basis that the consumer will not be able to identify the healthier options or compare to 	<p>FSANZ proposes to maintain the approach proposed at the 1st CFS for voluntary application of the HSR. See Section 2.2.3 of SD2 and additional information below.</p> <p>Many core foods are exempt from the requirement to bear a label or are displayed for sale in an unpackaged form. Imposing additional labelling</p>

Issue	FSANZ response
<p>slightly more processed options and the lack of a HSR could reduce consumer purchase of these products</p> <ul style="list-style-type: none"> - unpackaged foods with a NIP, for example 'weigh and pay' products which are comparable to packaged confectionery products - all products with a voluntary NIP displayed - question why foods in hampers should be excluded, especially since there is a proposal for labelling multi-packs that have different compositions or composite foods. 	<p>requirements for these foods, including provision of a NIP if maintaining the principle of providing a NIP in conjunction with the HSR symbol would increase costs and regulatory burden of the system. A HSR of 5 stars may however, be displayed for unpackaged fruit and vegetables that meets the requirements for an algorithm override without the need to provide a NIP – this may encourage the display of the HSR in relation to fruit and vegetables.</p> <p>A mandatory HSR is not proposed for food sold within hampers because FSANZ recognises that the HSR symbol on individual foods would likely not be visible at the point of sale and would therefore not serve its intended purpose of enabling consumers to compare similar foods at a glance when making purchasing decisions. It is noted however, that many foods sold in hampers are likely to be labelled suitable for individual retail sale and therefore would be labelled with a NIP and HSR symbol.</p>
<ul style="list-style-type: none"> • Questioned whether foods subject to the override for minimally processed fruit and vegetables would always be exempt from the requirement to be labelled with a NIP. 	<p>Some products qualifying for this algorithm override may still be required to be labelled with a NIP and, consequently, a HSR. The proposed approach of displaying a HSR without a NIP would not apply to these foods.</p>
Brewed soft drinks	
<ul style="list-style-type: none"> • The approach for brewed soft drinks presents an inconsistent regulatory approach and has the potential to mislead consumers. Views for both that the HSR should and should not be required on these products for the below reasons: <ul style="list-style-type: none"> - a HSR should not be required on these products as it may encourage consumption of products that contain unknown low levels of alcohol which is a risk to vulnerable groups. - a HSR should be required on these products to provide parity with non-alcoholic beverages and enable comparison within the drinks category. 	<p>FSANZ proposes to maintain the approach proposed at the 1st CFS for the application of the HSR on brewed soft drinks. See Section 2.2.3.3.3 of SD2 for further information.</p> <p>FSANZ acknowledges this approach may result in some brewed soft drinks displaying a HSR while others do not. However, this reflects the NIP requirements for these beverages. Requiring all brewed soft drinks to display a HSR would require changes to NIP requirements, which is outside the scope of this proposal.</p> <p>Brewed soft drinks are not permitted to contain more than 1.15% alcohol by volume, and those containing between 0.5% and 1.15% alcohol by volume must be labelled with their alcohol content. Permitting a HSR on these products enables consumers to compare the nutritional profile of similar beverages.</p>
<ul style="list-style-type: none"> • The lower threshold of 0.5% ABV was introduced in the voluntary HSR system due to concerns about fermented beverages and brewed soft drinks. If these beverages are now excluded from the prohibition to display a HSR, it is questioned whether the prohibition for beverages with 0.5 - 1.15% ABV is still required and what beverages this would cover. Reverting to the original threshold of >1.15% ABV under a single prohibition that applies to no and low alcohol beverages is supported. 	<p>Retaining the lower threshold at ≥0.5% ABV for beverages prohibited from displaying a HSR ensures all non-standardised alcoholic beverages are captured. While FSANZ is currently unaware of any beverages with an ABV of between 0.5%-1.15%, retaining this threshold futureproofs the system and provides a consistent approach across the full ABV range for non-standardised alcoholic beverages, similar to that for standardised alcoholic beverages.</p>

Issue	FSANZ response
Advertising	
<ul style="list-style-type: none"> Where product packaging is shown in images in advertising and marketing materials, the HSR symbol should be displayed consistently and remain visible, to align with FoPL requirements and avoid selective promotion of products with higher HSR ratings. 	<p>FSANZ is proposing to maintain the approach proposed in the 1st CFS. See Section 2.2.4 of SD2 for further information.</p>
Exemption based on package size	
<ul style="list-style-type: none"> Products able to accommodate branding and marketing information should also be able to accommodate a HSR symbol - smaller HSR formats could be used. The 100 cm² threshold is generous, and small packs are common across product categories such as confectionery, snack bars, small beverage formats, children's lunchbox foods and meat snacks, where HSR information would be relevant to consumers. Space constraints should be addressed through guidance and implementation flexibility rather than regulatory exemptions. The proposed simplified 'star-only' format would make it easier to apply the HSR to smaller packages - exemptions for small packages are therefore unnecessary. Space constraints should not be a pathway to avoid HSR labelling on products, particularly small confectionery, snack bars, or single-serve discretionary foods. 	<p>FSANZ is proposing to maintain the approach proposed in the 1st CFS, that food in small packages as defined in the Code (<100 cm²), could be voluntarily labelled with a HSR symbol if they are also labelled with a NIP. See Section 2.2.3.3.4 of SD2 for further information.</p>
Packaging limitations beyond small packages (<100 cm²)	
<ul style="list-style-type: none"> Packaging shape can present additional challenges for HSR implementation, with some container designs making it difficult to display the symbol clearly and legibly. For example, narrow cylindrical and contoured bottles, curved containers, shrink-sleeved products, yoghurt and dessert tubs and egg cartons. Even on packages larger than 100 cm², FoP space can be limited to carry a legible symbol alongside existing mandatory information requirements. HSR labelling should not crowd out or reduce the visibility of essential information, including ingredients, allergens, nutrition information, warnings, and other key details. 	<p>No exemptions from the requirement to label with a HSR symbol have been proposed for packaging size, shape or format, except for the exemption for small packages.</p> <p>FSANZ considers the exemption for small packages is adequate to address concerns regarding package size (small condiment containers for example). Further, some of the example products listed would be exempt from the proposed requirement to be labelled with the HSR symbol as they would be exempt from the requirement to be labelled with a NIP, for example fresh meat, spices.</p> <p>There are limited requirements for other information to be displayed on the FoP. The HSR symbol is therefore unlikely to crowd out or reduce the visibility of other label information.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> Packaging type can present additional challenges for HSR implementation. Printing on foil (and other speciality wrapping) can deliver less graphic precision. 	<p>All mandatory food labelling must meet existing legibility requirements. The proposed HSR requirement is not expected to introduce new or unique printing issues.</p> <p>See also, '<i>HSR Display – Front-of-pack location</i>' below.</p>
Alternative approaches for packaging format and space limitations	
<ul style="list-style-type: none"> Alternative approaches to format and space limitations were suggested as follows: <ul style="list-style-type: none"> Allow a reduced-size HSR symbol where legibility is maintained and provide flexibility in display colour to maintain/maximise legibility. Base the decision on usable FoP space not total space. HSR symbol should be permitted on an alternative clearly visible panel, and/or on secondary packaging, and/or on point-of-sale shelf labels, and/or on swing tags and/or on sticker overlays, where the principal display panel (FoP) is genuinely constrained. FSANZ should develop a scalable HSR device that allows the symbol to be scaled up/down according to packaging size and/or shape. Irregularly shaped packages should be exempt from mandatory requirements, instead being subject to voluntary application. If space is limited, existing mandatory warning information should take priority over HSR information. Greater flexibility in HSR requirements, including adjustments to the size, placement, or format of the symbol should be considered where packaging constraints can be demonstrated. 	<p>FSANZ has not proposed alternative approaches as suggested by submitters. FSANZ is not proposing to prescribe the size of the HSR Symbol and hence does not consider it necessary to develop a scalable HSR device. Notwithstanding, the HSR Symbol would be subject to legibility requirements set out in section 1.2.1—24 of the Code.</p> <p>It would be difficult to define situations where FoP space is genuinely constrained in legislation, and such a provision may also be difficult to enforce. FSANZ agrees that existing mandatory warning information should take priority over the HSR and is not proposing to require otherwise. However FSANZ is not aware of any mandatory warnings for food that are required to be provided on the FoP.</p> <p>See also '<i>HSR Display – Front-of-pack location</i>' below.</p>
Multipacks	
<ul style="list-style-type: none"> The proposed approach applies a reductionist approach to complex packaging arrangements and reduces consumer transparency. HSR information should be provided at the point of consumption. If a product can be consumed, redistributed or sold separately from the original packaging the HSR should be required on individual packs in addition to the outer package. A third option should be considered for multipacks where components are nutritionally similar. In such cases, and in addition to the two options proposed, the packaging should also be able to display one HSR that matches the averaged or combined NIPs for the pack. 	<p>FSANZ is proposing to maintain the approaches proposed at the 1st CFS for the application of the HSR on layers of packaging and multipacks.</p> <p>See Section 3.6.3 of SD2 for further information.</p>

Table B.2. Health Star Rating algorithm

A comprehensive review of the HSR algorithm is not being undertaken as part of P1067. FSANZ supports reviewing the algorithm once the ADG review has been completed. Undertaking a holistic review after the ADG review would help ensure the algorithm reflects the latest dietary guidance and provides an opportunity to consider issues raised by submitters and areas where misalignment may occur. Concerns raised by submitters relating to the algorithm are summarised below.

For further detail see Section 3.1.2.2 of the CFS.

The HSR algorithm approach - *summary of non-specific issues raised*

- It is premature to mandate the current algorithm before the revised ADG are finalised.
- Known issues should be addressed before mandatory implementation rather than prescribing the current algorithm in the Code and relying on future amendments.
- Mandatory implementation should proceed followed by a future comprehensive review to address anomalies, discretionary food ratings, alignment with updated dietary guidelines, the balance between negative and positive components, the treatment of total, added and free sugars, sodium and saturated fat thresholds, non-sugar sweeteners, wholegrain recognition, per 100 g/100 mL scoring versus typical consumption amounts; category-specific issues, consumer trust, and governance of future algorithm changes.
- The algorithm is structurally flawed or misleading because it:
 - reduces complex nutritional quality to a single nutrient-based score.
 - does not adequately account for ingredient quality, food matrix effects, nutrient bioavailability, processing, dietary patterns or the broader role of foods in the diet.
 - has counterintuitive ratings—such as highly processed foods scoring well or nutrient-dense whole foods scoring poorly—likely to confuse consumers and undermine confidence
 - is complex and the increasing number of categories, calculation rules and product-specific adjustments makes the system less transparent and suggests the algorithm is not reliably producing expected outcomes.
 - allows technical reformulation and “gaming” as the algorithm can reward added protein, refined fibre, fruit concentrates or non-sugar sweeteners, for highly processed or discretionary foods to achieve higher ratings without genuine nutritional improvement.
- Changing the algorithm at the point of mandating the system risks:
 - undermining consumer trust as shifts in star ratings for unchanged products would confuse consumers and erode confidence in the system's reliability.
 - penalising early adopters as manufacturers who have reformulated products to improve their HSR based on the current algorithm would see those investments devalued.
 - signalling instability as frequent methodology changes reduce confidence among both consumers and industry, making the system appear arbitrary rather than evidence based.
 - compounding transition burden as algorithm changes would significantly increase costs, complexity and timelines for compliance.
- Criticism of the algorithm's nutrient weighting included:
 - the treatment of total sugars rather than added/free sugars and insufficient sugar penalties
 - the role of energy and saturated fat
 - limited recognition of micronutrients such as iron, zinc, iodine, vitamin D and B12.

- conflicting or misleading advice for people seeking to manage carbohydrate intake or blood glucose response, particularly where foods higher in carbohydrate receive favourable ratings while naturally low-carbohydrate, nutrient-dense foods receive lower ratings.
- Comments about positive components and eligibility rules included:
 - protein eligibility thresholds can penalise nutrient-dense foods such as nuts, meat and eggs, while advantaging engineered products
 - protein weighting is too low in some meal products
 - need for greater recognition of wholegrain and fibre, including allowing fibre points for Categories 1 and 1D where applicable, and through a positive component or wholegrain standard rather than relying on fibre alone.

Certain foods categories were raised as being poorly handled by the algorithm, including nuts, oils, cheese, yoghurt, milk, seafood, meat, eggs, honey, juice, cranberries, ready meals, condiments, chocolate, table salt, wholegrain foods and plant-based products.

Issue	FSANZ response
Nutrient Profiling Scoring Criterion (NPSC)	
<ul style="list-style-type: none"> • The HSR algorithm and the NPSC have diverged over time, creating two similar but different methods for assessing the healthiness of foods. • Maintaining separate scoring systems may increase complexity and create confusion within the Code. • Requiring V point calculation only based on the existing non-concentrated FVNL thresholds will create differences between the V point calculation for HSR and the NPSC. • Consideration should be given to aligning the NPSC with the HSR algorithm in the future, including the potential use of HSR scores as a criterion for making health claims. 	<p>The HSR algorithm and the NPSC serve different purposes. The HSR algorithm has diverged from the NPSC where necessary to ensure it remains appropriate for its intended purpose. Where possible and appropriate, FSANZ has maintained consistency between the proposed HSR algorithm and the NPSC to assist with implementation.</p>
Overrides	
<ul style="list-style-type: none"> • Instead of overrides for certain foods, the algorithm should be redesigned as the need for overrides shows there are fundamental problems with the algorithm. • Use of overrides increases complexity, interpretation challenges and industry costs, reduce confidence and consistency, and may encourage product development strategies focussed on override thresholds rather than nutritional improvements. 	<p>FSANZ proposes to retain the algorithm overrides outlined in the 1st CFS. This will help maintain alignment with dietary guideline recommendations by ensuring these foods receive HSRs that accurately reflect their role as healthier choices that consumers are encouraged to consume.</p> <p>See Section 3.2 of SD2 for further information.</p>
<ul style="list-style-type: none"> – Comments relating to the override for unsweetened water-based flavoured beverages included: – may create inconsistencies in how the system is interpreted, normalise flavoured drink consumption and displace water 	<p>Plain water (5 stars) will rate higher than flavoured water (4.5 stars) and will continue to be represented as the healthiest beverage choice.</p> <p>Intense sweeteners are not permitted in beverages subject to the override, to keep the composition as similar to water as possible. Other water-based flavoured beverages containing intense sweeteners generally score around 3.5 stars, while sugar sweetened water-based</p>

Issue	FSANZ response
<ul style="list-style-type: none"> – not allowing intense sweeteners goes against no and low sugar reformulation and at odds with dietary guidance that diet drinks are preferable to sugar sweetened. – reference to food additives containing sodium creates uncertainty for products containing mineral salts for flavour. These contain only small amounts of sodium; their exclusion is disproportionate to any nutrition impact. Sodium containing additives should be permitted. 	<p>beverages score around 0.5-1 stars. This provides clear differentiation between these beverages and is consistent with dietary guidelines.</p> <p>The exclusion of sodium containing mineral salts is proposed to continue as outlined in Section 3.2.3.2 of SD2.</p>
<ul style="list-style-type: none"> • Minimally processed fruit & vegetables require further consideration by: <ul style="list-style-type: none"> – creating a new definition of foods and classes of foods in scope of this algorithm override, in line with the food group recommended in the dietary guidelines – aligning with what foods can score V points – defining ‘taking into account the type of processing’ – defining minimally processed and the definition of what ‘fresh’ means – whether dried beans, chickpeas or lentils and dried fruit qualify – providing a list of permitted ingredients/additives and processing aids to minimally processed fruits and vegetables that make them eligible for algorithm override. 	<p>FSANZ has clarified the foods proposed to be eligible for the minimally processed fruit and vegetable override, including what constitutes minimally processed and what food additives are permitted. See Section 3.2.3.3 of SD2 for further information.</p> <p>FSANZ is not proposing to align the eligibility criteria for this override with those for V points, as they serve different purposes. The criteria for the minimally processed fruit and vegetable override are intentionally more restrictive to reflect its application to minimally processed foods.</p> <p>‘Fresh’ is not proposed to be defined, consistent with the current use of that term in the Code, hence the dictionary meaning would apply.</p> <p>Dried products are not intended to be eligible for the minimally processed fruit and vegetable override. This ensures that foods such as dried fruit, which dietary guidelines recommend consuming in small amounts, are not captured by the override. Dried legumes will still receive a 5-star rating, without the need for the override.</p>
<ul style="list-style-type: none"> • Are foods subject to the override for minimally processed fruit and vegetables always exempt from the requirement to be labelled with a NIP? 	<p>Some products qualifying for this algorithm override may not be exempt from the requirement to be labelled with a NIP and if so, would be required to be labelled with a HSR.</p>
<ul style="list-style-type: none"> • Consider additional algorithm overrides with the purpose of driving attention to the foods and dietary patterns aligning with dietary guidelines, and apply clear, evidence-based principles to determine whether any further foods should be considered for potential overrides. Suggestions included: <ul style="list-style-type: none"> – all category 3 foods (or exempt category 3) – cheese – where the score is <3, automatically gets 3 stars – fresh, minimally processed single ingredient dairy products – core dairy foods, as same reasons can be applied as for the other foods with overrides – extra virgin olive oil or methods using cold extraction, and similar saturated and monounsaturated natural fats 	<p>Additional or alternative algorithm overrides have not been proposed. See Section 3.2.3.4 of SD2 for further information.</p> <p>Requests for exemptions from the HSR system are discussed in Sections 1.2.1.2 and 2.2.1.3 of SD2.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> – eggs (5 stars) (or exempt) – where there are anomalies, e.g. beef and lamb – nuts (plain, unsalted), 5 stars, noting 1.5-star gap across different nuts – salmon, seafood – honey (or exempt) – minimally processed wholegrain cereals – negative overrides for discretionary foods, UPF, foods high in some nutrients, e.g. sugar – a unique star rating for fresh and minimally processed plant foods, e.g. 10 stars so they are set aside from and not confused with other foods. 	
FVNL	
<ul style="list-style-type: none"> • FVNL should be given more weighting compared to other macronutrients to compensate for foods without any FVNL scoring high HSRs. • Consideration should be given to alternative approaches that better reflect dietary impact, such as assessing contributions on a dry-weight or per-serve basis. • Whole fruits, vegetables, nuts and legumes are far nutritionally superior to their fragments such as fruit puree, juice concentrate, powders, extracts, or flavours. A product with added concentrates or isolated ingredients should not receive a high HSR if the overall food remains highly processed or nutritionally poor as it can mislead consumers. This could be improved by: <ul style="list-style-type: none"> – applying FVNL scoring differently based on degree of processing such as giving stronger preference to whole or minimally processed FVNL ingredients – limiting or removing the ability of highly/ultra processed products to gain significant rating benefits from concentrated or minor FVNL components – restricting FVNL to whole or minimally processed ingredients, present in meaningful amounts, with the processing status and proportion clearly declared on labels – FVNL points should not compensate for high added sugar, sodium or saturated fat in a way that creates a health halo – considering FVNL in conjunction with other indicators of overall nutritional quality. 	<p>As noted, and for reasons set out above, a comprehensive review of the algorithm is not being considered as part of P1067.</p> <p>FSANZ proposes to mandate the existing V point calculation with minor changes (see Section 3.5 of SD2) to support implementation and enforcement.</p>
FVNL and Standard 1.2.10	
<ul style="list-style-type: none"> • Standard 1.2.10 of the Code applies to characterising ingredients and components that are named in the food, associated with the name of the food, or emphasised on the label. It is therefore unclear whether businesses would be required to provide additional information for FVNL components that are not 	<p>FSANZ is now proposing FVNL content would be calculated on the same basis as the HSR algorithm, rather than using the method specified in Standard 1.2.10.</p>

Issue	FSANZ response
otherwise characterising ingredients.	<p>The FVNL content used in the algorithm would need to be provided to enforcement agencies on request.</p> <p>See Section 3.4.3.2 of SD2 for further information.</p>
Foods eligible for FVNL and exclusions	
<ul style="list-style-type: none"> The proposed FVNL approach excludes cereal grains from FVNL scoring, while certain concentrated fruit and vegetable ingredients are rewarded, creating inconsistencies in how whole foods are recognised within the system. The inability for FVNL to be applied to dairy categories neglects allocation of any positive points for dairy products. A different rule can be applied for dairy products and the baseline lowered. The addition of FVNL foods eligible for V points can enhance the nutritional value of a yoghurt or custard with FVNL. In general, these products are added at much lower content than the 25% (maximum 10 to 15%, often much less). Recommends a targeted review to examine whether FVNL scoring sufficiently recognises nuts in single-ingredient and selected mixed-ingredient foods. Although nuts are included in the positive component, this may not be sufficient to overrule the negative points associated with their content of energy and saturated fats, resulting in a penalisation of nut-containing foods, rather than incentivising consumption. 	<p>FSANZ is proposing to keep the FVNL eligibility criteria the same between the HSR system and NPSC. Changes may be considered in future reviews of the algorithm. See Section 3.5.3.1 of SD2 for the further information.</p> <p>FSANZ has considered the HSRs of nuts and found most fresh or minimally processed nuts received a high HSR between 4 and 5 stars.</p>
Concentrated FVNL	
<ul style="list-style-type: none"> The change in the treatment of concentrated FVNL does not go far enough as ultra-processed products can contain FVNL-derived ingredients — fruit concentrates, vegetable powders, legume protein isolates, fruit juice solids — that technically qualify for modifying points while functioning primarily as flavouring agents, sweeteners or texture modifiers. Propose that FVNL modifying points should only be awarded for whole or minimally processed FVNL ingredients. Treating concentrated FVNL the same as non-concentrated does not adequately recognise the substantial nutritional differences between them and effectively discounts the higher nutritional contribution concentrated ingredients deliver. This could: <ul style="list-style-type: none"> penalise manufacturers who use concentrated fruit and vegetable ingredients to deliver nutritional value in their products. reduce reformulation incentives by removing the scoring benefit that currently encourages incorporation of nutrient-dense concentrated FVNL ingredients. 	<p>FSANZ is proposing to retain the approach proposed at the 1st CFS for fruit and vegetable content (Section 3.4.6.3 of SD5 to the 1st CFS). The proposed approach limits eligibility for V points to whole or minimally processed FVNL ingredients. More processed forms, such as FVNL constituents, extracts and isolates, would not be eligible for V points.</p> <p>FSANZ is proposing to retain the approach proposed in the 1st CFS. Modelling showed that treating concentrated and non-concentrated FVNL in the same way had minimal impact on alignment with dietary guidelines (Section 3.1.2.4 of SD3 to the 1st CFS). The approach would also simplify the calculation of V points. Concentrated FVNL would remain eligible for V points, but would be assessed using the same thresholds as non-concentrated FVNL.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> – create a misalignment between the HSR score and the actual nutritional profile of the product as consumed. – create significant challenges for products containing FVNL ingredients in processed forms such as concentrates, pastes, purees and powders. Variations in processing intensity, loss of whole-food integrity, and difficulties in determining equivalent FVNL contributions can lead to inconsistent treatment of similar products and reduce transparency in the methodology. Without clear and standardised definitions, FVNL percentages may not accurately reflect the true whole-food content of products. • Further consideration should be given to how concentrated FVNL forms are treated to ensure the HSR system remains aligned with dietary guidelines and does not inadvertently incentivise product formulations that overstate nutritional quality and the inclusion of processed foods. • Suggest FSANZ explicitly assess, before mandating, whether FVNL-derived free sugars offset risk-nutrient baseline points under the proposed non-concentrated treatment, rather than relying on evidence concerning the removal of the concentrated category. 	
<ul style="list-style-type: none"> • It is uncertain why under the proposed mandatory framework, it is noted that concentrated FV content is not enforceable. 	<p>FSANZ noted the removal of concentrated FV from the HSR system would simplify implementation and enforcement by removing the administrative burden of identifying whether a fruit or vegetable is considered concentrated. A lack of enforceability altogether was not suggested – refer Section 3.4.6.3 of SD5 to the 1st CFS for further information.</p>
Impact on different foods and food types	
<ul style="list-style-type: none"> • The system inherently favours foods with higher FVNL content; while appropriate for some product categories, this structurally disadvantages animal-based foods despite their essential nutrient contributions. FVNL scoring does not appropriately capture the nutritional contribution of meat and smallgoods, particularly protein quality and bioavailable micronutrients, creating an uneven playing field across food categories. • The per 100 g/100 mL basis is problematic for foods consumed in small amounts, including condiments, soy sauce, cream, cheese, fats, oils, honey, table sweeteners and olives, as may not reflect actual consumption or dietary contribution. • Foods consumed in small quantities, such as sauces and spice mixes, should be assessed on a typical serving size rather than per 100 g. 	<p>A food's HSR is determined by taking into account multiple components. The components included in the algorithm reflect aspects of nutritional composition highlighted in dietary guidelines that consumers are encouraged to limit or consume more of. As a nutrient profiling model, the HSR algorithm cannot account for all factors that may contribute to a food's nutritional value or health benefits.</p> <p>FSANZ is not proposing to permit the HSR for foods intended to be consumed in small quantities, such as sauces and spice mixes, to be calculated based on a typical serving, as serving sizes are not regulated. Doing so would reduce comparability and potentially cause consumer confusion.</p>

Issue	FSANZ response
Category 3 and 3D	
<ul style="list-style-type: none"> Category 3D does not adequately reflect cheese's role as a nutrient-dense core food, despite dietary guidance recognising cheese as part of the dairy food group and emerging evidence on the dairy matrix and cardiometabolic outcomes. Suggestions to revise saturated fat scoring, allow protein points, rescale Category 3D, apply a minimum rating for core cheeses (e.g. 3 stars), or delay mandatory HSR for cheese until alignment issues are resolved. 	<p>See Section 3.7 of SD2 for information relating to Category 3D and suggested misalignment.</p>
<ul style="list-style-type: none"> Category 3 algorithm relies too heavily on saturated fat and does not adequately reflect differences between edible oils including consideration of overall fatty acid profile, processing and refining, oxidative stability, bioactive compounds, vitamins, trans fats, culinary use and contemporary dietary pattern evidence. 	<p>No changes to the HSR algorithm for Category 3 (Fats, edible oils and their spreads) are being proposed in this 2nd CFS. The treatment of olive oil was considered during the 5-year review, which concluded the HSR system was performing as intended by helping consumers compare similar products and identify healthier options within a food category.</p> <p>The review also noted the HSR system is designed to use a consistent nutrient-based approach and cannot account for all factors that may contribute to a food's health benefits. As a result, it concluded it would not be appropriate to increase the rating of one type of oil based on factors that are not considered consistently across other food products.</p> <p>FSANZ's analysis for the 1st CFS supported these findings. Further information is provided in Section 2.2.6.1.5 of SD5 to the 1st CFS.</p>
Multi-component products	
<ul style="list-style-type: none"> The suggested approach for cheese and cracker products increases the HSR of a discretionary food. Further a single HSR may not reflect actual consumption patterns, as consumers may still eat components. HSR information should continue to be allowed for individual components. The suggested approach for cheese and crackers creates inconsistencies and sets a precedent for additional exemptions to be sought, for example for multicomponent products such as salad with dressing, or a ready-made meal with a high proportion of vegetables, that are made primarily of fruits or vegetables subject to an override. The suggestion for differing requirements across product types, for example between cheese and crackers and cheese and crackers that contain a third component, will cause consumer confusion and will result in ratings that do not align with how consumers perceive them. 	<p>FSANZ does not consider the weighted average approach sets a precedent for exemptions for other foods. It addresses a unique problem specific to cheese and cracker packs. See Section 3.6.3.3 of SD2 for further information.</p> <p>FSANZ recognises that cheese and cracker packs would be calculated differently from those containing additional components. However, FSANZ does not anticipate this difference will lead to consumer confusion, as the calculation method is not apparent to consumers, and results in HSRs that better reflect dietary guideline recommendations.</p> <p>FSANZ acknowledges applying the weighted average formula to cheese and cracker packs may still result in these foods scoring lower than other discretionary items such as chips. However, the purpose of the HSR system is to compare similar foods.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> Even if the suggested approach is applied to cheese and cracker products, discretionary foods, such as potato chips, may continue to be higher-scoring and perceived as healthier choices. 	
<ul style="list-style-type: none"> The proposed approach is impractical for meal kits where multiple components are intended to make a prepared meal, e.g. curry kits with sauce and spices. Neither the lowest HSR nor multiple HSRs would accurately represent or meaningfully communicate the healthfulness of the final product consumed. 	FSANZ is proposing to retain the approach in the 1st CFS regarding the display and calculation of the HSR for meal kits to provide a consistent basis for comparison at point of purchase. See Section 3.4.3.1 of SD2 for further information.

Table B.3. Health Star Rating categories

Issue	FSANZ response
Approach	
<ul style="list-style-type: none"> The categorisation system creates major practical and compliance issues for industry including disputes over which category products belong in, ongoing reassessment when products are reformulated, increased compliance and consulting costs and more complexity for importers and exporters. Definitions that sit behind the HSR algorithm should not impact the interpretation of other areas of the Code, e.g. dairy foods and dairy analogues are not currently treated as the same food group in the Code, and this distinction should remain. Certain products may be disadvantaged because they are required to comply with prescribed compositional standards, e.g. cream may be penalised by the HSR system for complying with mandatory compositional requirements (high fat). Question how certain food would be categorised, e.g. milk analogues produced using precision fermentation and/or cell culture. Consider application of the 75% rule to such foods, as they will not comply with the definition of milk. 	<p>While the HSR categories might increase the complexity of the system, FSANZ considers them necessary to achieve appropriate differentiation between foods and better alignment with dietary guideline recommendations. This is achieved through category-specific components, thresholds, points tables and scaling.</p> <p>Definitions used for the HSR categories apply only for the purposes of the HSR algorithm, unless otherwise stated, and do not affect the interpretation of other provisions of the Code</p> <p>FSANZ considers it appropriate to apply the HSR system to foods that comply with prescribed compositional standards. For example, the HSR for cream reflects dietary guideline recommendations to limit foods containing saturated fat.</p> <p>If foods such as those made from precision fermentation do not meet the Category 1D, 2D or 3D requirements (they are not a dairy food or a dairy analogue derived from legumes, for example) they would be in Category 1, 2 or 3, subject to the type of food.</p>
Dairy and dairy analogues	
<ul style="list-style-type: none"> Questions why dairy foods have their own categories, only due to having the presence of calcium and that there are not separate categories for dairy foods and dairy analogues. 	The dairy categories were introduced during the development of the HSR system to allow dairy products to receive star ratings more aligned with dietary guidelines recognising they contribute important nutrients such as calcium and protein. Without separate dairy categories many dairy products would receive lower HSRs because they: are naturally higher in saturated fat; and naturally contain lactose (sugars).

Issue	FSANZ response
<ul style="list-style-type: none"> Frozen dairy products should not be excluded from Category 2D only because they are frozen. These products can meet the 75% dairy requirement but are treated less favourably because of their formulation and frozen nature. Concern high caffeine coffee beverages may be classified as Category 1D and receive high HSR scores. 	<p>FSANZ is proposing to retain the approach of categorising frozen dairy foods as Category 2, for the rationale that was outlined in Section 3.1.4.4.3 of SD5 to the 1st CFS.</p> <p>FSANZ acknowledges high caffeine coffee beverages may be classified in Category 1D if they meet the calcium and 75% dairy requirements. The HSR system would not operate in isolation from other Code requirements. The risks associated with caffeine are addressed through other requirements, including the declaration of caffeine content and use of advisory statements (section 2.10.4 —3A). FSANZ therefore considers the proposed HSR categorisation should operate alongside, and remain consistent with, these existing requirements for caffeine.</p>
<ul style="list-style-type: none"> Reclassifying fermented milk and yoghurt beverages from Category 1D to 2D conflicts with the HSR framework, which classifies beverages in Category 1 and non-beverages in Category 2. Fermented dairy products should be Category 1D when sold as a beverage, Category 2 when frozen, and Category 2D otherwise. 	<p>FSANZ is now proposing that fermented milk and yoghurt beverages be categorised in Category 1D. See Section 3.3.3.2.2 of SD2 for further information.</p>
<ul style="list-style-type: none"> Comments on the use of the term ‘dairy analogue(s)’ included: <ul style="list-style-type: none"> promotes consistency within the Code it implies nutritional similarity between dairy and plant-based products, and this is not true Section 1.1.1—13 of the Code restricts specified dairy names and representations for products that do not meet dairy criteria. Therefore, the term ‘dairy analogue’ does not align with existing Code definitions plant-based alternatives may be treated as substitutes in the ADG, but they are not nutritionally equivalent i.e. not analogues should instead use accurate, consumer-focused terminology, such as ‘plant-based products’ or ‘plant-based beverages’, consistent with dietary guidelines the absence of a clear, technology-neutral definition creates uncertainty for products manufactured from plant ingredients, precision-fermented ingredients, and future novel technologies and may lead to inconsistent application of HSR. Restricting Categories 2D and 3D to legume-derived dairy analogues creates inconsistencies and does not reflect nutritional equivalence. Fortified oat-based beverages can qualify for Category 1D, while nutritionally comparable oat-based 	<p>Consistent with the approach outlined in the 1st CFS, FSANZ is proposing to use existing Code terminology to describe dairy analogues.</p> <p>FSANZ acknowledges dairy analogues are not complete compositional or nutritional equivalents to dairy foods. However, they are categorised with dairy foods to reflect their treatment in dietary guidelines.</p> <p>Dietary guidelines in Australia and New Zealand note alternatives to dairy can be substituted for dairy beverages when containing at least 100 mg/100 mL calcium or with added calcium, respectively. This is the basis for including dairy analogues in Category 1D.</p> <p>The inclusion of plant-based sources of protein in dietary guidelines provides the basis for including dairy analogues in Categories 2D and 3D. FSANZ is of the view that HSR category definitions are technology-neutral and based on characteristics of the food and its ingredients, rather than how it was produced.</p> <p>See Section 3.3.3.2.3 of SD2 for further information.</p>

Issue	FSANZ response
<p>yoghurt and cheese analogues are excluded from Categories 2D and 3D solely because of their plant source.</p> <ul style="list-style-type: none"> To ensure consistent treatment of nutritionally equivalent dairy analogue products, remove the legume-source requirement in favour of criteria based on nutritional composition, such as calcium content for Category 2D. 	
Dairy and Dairy analogue Categories – 75% Threshold	
<ul style="list-style-type: none"> The 75% rule creates artificial cut-off points that incentivise formulation to the threshold rather than for genuine nutritional improvement. Support minimum nutritional criteria for the 75% threshold for plant-based products, otherwise they could receive favourable HSR treatment despite being largely water, oils, additives or other ingredients. Comments relating to meeting the 75% threshold included: <ul style="list-style-type: none"> All dairy ingredients within the definition of milk solids (Schedule 10-2) should count toward the 75% threshold. Milk is routinely separated into components such as fat, casein and whey to make products including skim milk, cream and cheese. It would be inconsistent to recognise these dairy foods but exclude the milk components they contain. How much alteration from original milk is accepted to be counted towards the 75% rule (e.g. whey/casein protein isolate, lactoferrin, milk fat globule membrane-enriched whey protein concentrate). Any dairy ingredients defined in the Code should count towards the ≥75% requirement for Category 1D or 2D. The 75% rule cannot be analytically verified and recommend FSANZ assess enforceability under a request-based model, where manufacturers must substantiate how they met the 75% 	<p>FSANZ is proposing to maintain the 75% rule for the dairy and dairy analogue HSR categories, consistent with the approach under the voluntary HSR system.</p> <p>FSANZ considers the 75% rule is important to safeguard these categories by ensuring only foods with a large proportion of dairy or dairy analogue content fall within these categories.</p> <p>There are calcium and/or protein requirements in place for relevant products in the dairy categories.</p> <p>FSANZ has responded to requests for clarity on what can qualify for the 75% rule for each dairy category in Section 3.3.3.4 of SD2.</p> <p>FSANZ agrees the 75% rule cannot be analytically verified but can be assessed for enforcement purposes based on a recipe/ingoing ingredient basis.</p>
Dairy Categories - Milk powder reconstitution	
<ul style="list-style-type: none"> Concerns about applying the 75% dairy rule to products containing milk powder and other dairy derivatives included: <ul style="list-style-type: none"> it may advantage reconstituted powders and multi-ingredient products over simpler whole foods ingredient weight may not accurately represent the amount or nutritional contribution of reconstituted milk in the final product, particularly where milk solids, whey, permeate or other dairy derivatives are used administrative and compliance complexity 	<p>FSANZ is not proposing to specify a ratio of milk powder to water for reconstitution of milk powders. See Section 3.3.3.5 of SD2 for further information.</p> <p>FSANZ is not proposing alternative methods for accounting for milk powder under the 75% dairy threshold, as additional compositional tests would increase complexity. FSANZ also does not consider milk powder should be weighted differently based on its level of processing, as the threshold is intended to reflect dairy content rather than the processing of individual ingredients.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> – manufacturers could strategically use powdered extracts or manipulate reconstitution instructions to meet dairy category or nutrient thresholds and obtain a more favourable HSR. • Concern was also raised for Category 2D, which has no minimum calcium requirement with suggestions to: <ul style="list-style-type: none"> – calculate the dairy percentage for the 75% rule on a milk-solids basis rather than counting powder plus water – introduce a minimum milk-solids, protein or calcium criterion – count reconstituted milk powder only to the extent that the resulting product meets the compositional standard for the relevant defined dairy food. • Suggested alternative approaches to account for milk powder under the 75% dairy rule, generally seeking clearer, objective and practical methods that reflect product composition and use while minimising compliance burden included: <ul style="list-style-type: none"> – apply a minimum milk-solids requirement – use a milk-solids-non-fat or calcium-equivalence test against the relevant Code dairy standard where substantiation is required, providing an objective and laboratory-verifiable alternative to an assumed reconstitution ratio. – apply a lower weighting to milk powder to reflect its level of processing and better represent overall product quality in the HSR. • Concern the 75% threshold could reclassify probiotic fermented milk products if reconstituted skim milk powder or fermented milk ingredients do not contribute sufficiently towards the 75% leading to HSR outcomes that do not reflect their nature, intended use or consumer perception. 	
Dairy and Dairy analogue Categories - Calcium criteria	
<ul style="list-style-type: none"> • A clear scientific rationale, impact assessment, and evidence that the proposed criterion delivers a meaningful public health benefit that outweighs the unintended consequences for dairy beverages is needed for the calcium threshold for dairy beverages. • Questioned the use of a calcium threshold for dairy-based beverages, given there is a minimum requirement for dairy ingredients and these ingredients will provide a base level of calcium. • Need a requirement for the minimum calcium content in Category 2D, dairy analogue foods can be classified as Category 2D with no calcium fortification which is misaligned with the ADGs. 	<p>FSANZ is now proposing to lower the calcium requirement from ≥ 100 mg/ 100 mL or 100 g to ≥ 75 mg/100 mL or 100 g for Category 1D dairy beverages. This balances accounting for the 75% rule while still safeguarding Category 1D noting that a reconstitution ratio is not being prescribed. Category 1D dairy analogues would continue to be required to meet the ≥ 100 mg/ 100 mL or 100 g calcium requirement. The rationale is further discussed in Section 3.3.3.3 of SD2.</p> <p>FSANZ is continuing not to propose a calcium requirement for Category 2D for reasons discussed in Section 3.3.3.3 of SD2.</p> <p>FSANZ is not proposing the calcium content for dried milk products should be assessed on a reconstituted basis. If, however, the dried milk</p>

Issue	FSANZ response
<ul style="list-style-type: none"> For dried milk products calcium content should be assessed on a reconstituted basis, reflecting how they are normally prepared and consumed, and how calcium values are commonly displayed on labels for milk powder. The proposed calcium requirement for dried products of 100 mg per 100 g would be too low compared with that for dairy beverage analogues. Reasons for not supporting the increase in calcium threshold included: <ul style="list-style-type: none"> practical inconsistency between the 75% dairy threshold. Plain milk contains 109 to 120 mg of calcium per 100 mL, and a dairy beverage only requires a minimum of 75% milk content, it is not possible to meet 100 mg/100 mL of calcium without fortification, even where a product contains 75% milk potentially encourages fortification just to meet categorisation requirements rather than nutritional need result in re-categorisation of some products, reducing HSRs, confusing consumers as to why they reduced reformulation requires significant resourcing, product development, technical assessment and cost without a clear nutrition or public health rationale the ADG do not set a calcium requirement for milk and milk beverages dairy beverages are inherently calcium-rich and provide other essential nutrients (not the case for plant-based beverages) may cause misalignment with other parts of the Code e.g. a flavoured milk, made up of 75% milk, would qualify for the source of calcium content claim but not Category 1D for the HSR changes could have broader commercial, procurement and policy consequences, including impacts in settings such as schools, hospitals and institutional purchasing the existing threshold should be retained as it aligns with existing Code/claim requirements a more graduated approach to the calcium requirements for 1D and 3D is needed as for example two nutritionally similar cheeses may receive very different ratings because they will fall into two different categories based on a tight cut off. 	<p>product requires reconstituting with water according to directions on the label, the calcium content should be determined based on the product after it is reconstituted with water as instructed and is ready for consumption.</p>
Dairy and Dairy analogue Categories - Protein criteria	
<ul style="list-style-type: none"> Concern about removing the protein criteria: <ul style="list-style-type: none"> may cause inferior dairy analogues to get benefits from the dairy categories 	<p>FSANZ is now proposing to retain the protein criteria for dairy analogues used in the voluntary system. This is discussed in Section 3.3.3.6 of SD2.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> protein criteria would signal that plant-based products must meet minimum nutritional expectations before receiving special HSR treatment. 	
Category 1	
<ul style="list-style-type: none"> For the proposed category name comments included: <ul style="list-style-type: none"> suggest 'All beverages not captured in 1D, jellies and water or juice-based ice confectionery' to better capture what it encompasses. recommended removing the term 'all' to be consistent with the proposed name of Category 2 queried replacing the term 'water-based ice confections' with 'ice confectionery' as 'ice confection' is used in the Code, whereas 'ice confectionery' is not, however, neither are defined in the Code. Need to define beverages in the Code due to ambiguity if includes liquid foods other than beverages e.g. soup, stock or broth or different beverage forms (e.g. coconut milk in a carton vs. can). Comments relating to water-based ice confectionery included: <ul style="list-style-type: none"> a clear definition of water-based ice confectionery is needed to know whether a product should be in Category 1 or 2. they should be re-categorised under Category 2 because existing regulatory frameworks commonly group ice cream and edible ices together and these products are typically positioned next to each other. Being in separate categories means the HSR is calculated differently and will not provide a meaningful point of comparison. ice confectionery is sold and labelled as a solid food, with nutrition information presented per 100 g. Category 1 requires calculations based on per 100 mL creating practical difficulties. whether ice confectionery would be foods under 'INS 5 Confectionery' or 'INS 3 Ice cream and edible ices' in Schedule 15 of the Code. 	<p>FSANZ has revised Category 1 to 'Beverages not captured in Category 1D, jelly and ice confections'. See Section 3.3.3.7 and 3.3.4 of SD2 for further information.</p> <p>Consistent with the current approach in the Code, FSANZ is not proposing to define the term 'beverage'. The ordinary meaning of the term would apply, with classification determined on a case-by-case basis having regard to how the food is represented.</p> <p>FSANZ has clarified the meaning of ice confections for Category 1 and is proposing to retain these foods in this category noting their composition and characteristics are similar to beverages. See Section 3.3.3.2.1 of SD2 for further information.</p> <p>As is currently the case, classification of a food for the purposes of Schedule 15 depends on the nature of the individual product. There is no intended direct link between Schedule 15 classifications and Category 1 of the HSR system.</p> <p>FSANZ is proposing the HSR could be calculated per 100 g for Category 1 if the food's NIP presents the nutritional information per 100 g.</p>
Category 2	
<ul style="list-style-type: none"> Suggest replacing foods 'that do not fit in' with 'not captured in'. Proposed name and category inclusions are too broad. Assessing this variety of foods in a single category limits the ability of the HSR system to fairly reflect nutritional value and dietary role and does not differentiate between minimally processed whole foods and highly processed foods. 	<p>Consistent with the voluntary system, Category 2 captures foods that do not fall within the beverage, dairy or fat/oil categories. This avoids creating additional categories, which would increase complexity and may reduce consistency in implementation.</p>

Issue	FSANZ response
Category 3	
<ul style="list-style-type: none"> • Suggestions to change the category name from 'Fats and edible oils' to 'Fats and edible oils, and their spreads' or 'fats and edible oils, including emulsions'. • Further sub-categorisation or a category-specific adjustment for edible oils, particularly distinguishing virgin/unrefined oils from refined oils and oil-based spreads. 	<p>FSANZ has considered the name for Category 3 and for the purposes of this report, has updated it to 'Fats, edible oils, and/or edible oil spreads'. The proposed draft variation does not include a name for Category 3 (see Attachment A of the CFS).</p> <p>FSANZ does not consider further sub-categorisation or adjustments to Category 3 necessary as the current categorisation is providing HSRs in line with dietary guidelines.</p>
Additional and alternative categories	
<ul style="list-style-type: none"> • Alternative categories/extra categories proposed included: <ul style="list-style-type: none"> – if honey is not made exempt, it would require a separate category – an additional category for whole and minimally processed foods, or an alternative treatment pathway within Category 2, particularly meat/minimally processed smallgoods as Category 2 does not directly recognise key nutrients including highly bioavailable protein, iron, zinc and vitamin B12 – a dedicated sub-category for probiotic fermented milk-based products within Category 2D, where products are compared with genuinely similar products – an additional category for plant-based beverages – a dedicated category for complete prepared meals – a category for 'sauces and condiments' and foods intended for further preparation before consumption (meal kits/simmer sauces), to account for how they function and are consumed within a meal – GRAS (generally recognised as safe) style system over a regimented codified system as some products always fall outside the lines and are disadvantaged – an additional layer that identifies discretionary foods and UPFs separately from the category-based star calculation. 	<p>While FSANZ acknowledges the requests for additional categories or an alternative categorisation system, for reasons set out and as noted previously a full review of the HSR algorithm has not been considered as part of P1067. See Section 3.1.2.2 of the CFS.</p>

Table B.4. Form of the food

Issue	FSANZ response
Approach	
<p>Comments on the proposed approach included:</p> <ul style="list-style-type: none"> • Results in unnecessary complexity and highlights limitations in attempting to translate nutrition information into a single on pack rating. The rules surrounding 'as sold' versus 'as prepared' are unlikely to make sense to consumers. • Will inadvertently mislead consumers and may result in reconstituted and processed forms of foods being favoured over less processed equivalents. • The HSR form of the food calculation methodology does not consistently reflect the way products are prepared and consumed as variations will occur when consumers change preparation methods for products presented 'as prepared', and many products assessed 'as sold' will not reflect how they are intended to be prepared and/or consumed. • Cultural practices of food preparation should be considered within the context of form of the food. • Instead of simply applying an 'as sold' HSR to products that require the addition of other ingredients, 'as prepared' should be applied as it is more intuitive for consumers. Consumers should also be encouraged to follow the preparation instructions on the pack. • There should be a different methodology or separate category for products that are to be prepared with additional ingredients before consumption. • Products prepared, drained or consumed differently to the form in which they are sold, including canned legumes, fruit and vegetables in non-consumed liquids, simmer sauces, seasonings, dressings and condiments as as-sold, as-prepared, drained and intended-to-consume bases may lead to materially different HSR outcomes. • If a product displays directions that encourage additions, the HSR should either include them or otherwise not display a HSR at all. • Products such as baking mixes requiring the addition of milk during preparation should be exempt rather than being classified 'as sold'. • Greater consideration of drained or reconstituted forms, intended use, and alignment with NIP requirements is required. 	<p>FSANZ proposes to maintain the approach proposed at the 1st CFS for the form of the food to which the HSR algorithm applies.</p> <p>The proposed approach avoids unnecessary complexity while aligning with the NIP for foods intended to be drained or reconstituted with water. This enables similar foods to be compared consistently at the point of sale, regardless of how they are consumed. Where the HSR is calculated 'as reconstituted' or 'as drained', this would be indicated with the HSR symbol to assist comparison. For further information see Sections 3.4.3.1 and 3.4.3.2 of SD2.</p> <p>FSANZ has not proposed exemptions for foods that require the addition of other foods by consumers, to ensure the HSR is consistently applied and to enable consumers to use the system as intended to compare similar foods.</p>

Issue	FSANZ response
Recipe bases <ul style="list-style-type: none"> • The assessment of recipe bases on an 'as sold' basis is not appropriate. • There is a disparity between dry and wet recipe bases - although presenting similar nutritional profiles when consumed, dry recipe bases have a lower moisture content and receive lower ratings than comparable wet products. • Recipe bases facilitate the preparation of meals containing recommended foods and are not consumed in isolation and the 'as prepared' assessment is a more accurate reflection of actual consumption. • Excluding the option to calculate the HSR for recipe bases on an 'as prepared' basis will result in ratings that do not reflect consumption and undermine policies that aim to improve diet quality and increase vegetable consumption. 'As prepared' ratings on these foods operate as a direct enabler of national and state health strategies. 	<p>FSANZ is proposing to retain the approach proposed at the 1st CFS whereby the HSR is calculated on an 'as sold' basis for foods intended to be prepared with other foods before consumption. See Section 3.4.3.1 of SD2 for further information.</p> <p>While an 'as sold' HSR for recipe bases does not account for other foods added during preparation, evidence indicates that consumers may not follow preparation instructions exactly. The nutritional profile of the prepared meal can therefore vary depending on the ingredients used. FSANZ considers that an 'as sold' HSR does not undermine health policies and strategies and provides a consistent basis for comparing similar products at the point of purchase.</p>
Labelling requirements <ul style="list-style-type: none"> • Concerns raised regarding instances where products labelled 'as drained' may be consumed in their entirety, e.g. tuna added to a salad creating a mismatch between the basis of the HSR calculation and how the product is consumed. • Concerns raised about the practicality and value of adding explanatory wording to the HSR symbol given pack space constraints and limited evidence of consumer benefit. • The NIP and serving instructions clearly specify how the food is to be consumed, if the HSR aligns with the NIP additional wording should not be required. It is unfair to place an additional cost burden on companies. • A QR code could be used instead to minimise label changes. • Consideration be given to meal components specifically designed to be served with customer-added accompaniments – for these products, allow a statement alongside the HSR to assist consumer understanding, for example 'serve with...' or 'meal component'. 	<p>FSANZ is proposing to retain the proposed approach as at the 1st CFS regarding the form of the food wording, to ensure clear and consistent comparison of similar foods at the point of sale. See Section 3.4.3.2 of SD2 for further information.</p> <p>The proposed approach does not prescribe the exact wording that must accompany the HSR symbol, allowing flexibility in how the information is communicated, including where label space is constrained.</p> <p>FSANZ is not proposing to require additional wording on the label indicating the form of the food the HSR is based on for foods intended to be consumed or prepared with other foods.</p>
Alternative approaches <ul style="list-style-type: none"> • Products should display two HSR symbols on pack, one for drained, and one for not drained. 	<p>FSANZ is not proposing to allow multiple HSR symbols for different forms of the same food, as this could be confusing for consumers, would not align with the NIP requirements and would be more burdensome for manufacturers. See Section 3.4.3.2 of SD2 for further information.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> The form of the food exemptions that have been applied to other foods such as foods intended to be reconstituted before consumption, should also be applied to meats and small goods products where curing, drying and cooking alters the nutrient composition and moisture content relative to the raw 'as sold' state. 	<p>FSANZ is proposing to retain the approach outlined at the 1st CFS regarding foods eligible to calculate the HSR using a basis other than the food 'as sold', as this approach aligns with the NIP requirements for such foods.</p> <p>The HSR for meat products that lose moisture during manufacture should reflect the nutritional composition for that food 'as sold' consistent with the existing requirements for providing nutrition information in a NIP.</p> <p>FSANZ is proposing to retain the proposed approach for the HSR to be calculated 'as sold' for foods intended to be cooked before consumption such as raw meat. Calculating a HSR after cooking would not account for variability in preparation and cooking methods and would not allow consumers to compare similar foods at the point of purchase.</p>

Table B.5. Health Star Rating system display

Issue	FSANZ response
Stars-only symbol format	
<ul style="list-style-type: none"> Concerns raised in relation to the proposed mandatory display of the HSR symbol in the stars-only format included: <ul style="list-style-type: none"> removing the energy and nutrient elements may increase the risk of misinterpretation, reduce transparency and undermine confidence in the HSR system by oversimplifying the nutrition information presented. without the additional energy and nutrient information, consumers may interpret products with higher HSRs as inherently healthy, without considering their nutritional composition or broader dietary context. the energy element was considered to provide useful serving-size context that is not conveyed by a stars-only rating. how the stars-only symbol may interact with other front-of-pack information, including nutrition content claims and percentage daily intake information could encourage the development of alternative proprietary nutrition icons. early adopters or those who currently display the energy and nutrient formats voluntarily may face additional implementation costs and challenges including label redesign, packaging waste associated with the disposal of existing packaging, logistical changes and management of existing stock. Request for greater flexibility in the design of the stars-only graphic, noting that 	<p>FSANZ is proposing to retain the approach outlined at the 1st CFS which requires the use of the prescribed trademarked stars-only design. See Section 5.1 of SD2 for further information.</p> <p>To provide flexibility, the prescribed design may be scaled and reproduced in a suitable colour and positioned flexibly on FoP. See Section 5.3 of SD2 for further information.</p> <p>The prescribed form of the HSR graphic for each rating is set out in draft Schedule 31 at Attachment A to the CFS. Other nutrition information and claims may continue to be displayed subject to the Code, but must not form part of, or appear to modify, the prescribed HSR symbol.</p> <p>Additional wording to provide government endorsement or oversight is not being proposed. This would be more appropriately addressed through consumer education and explanatory material rather than additional on-label information.</p>

Issue	FSANZ response
<p>the proposed design may be difficult to apply to certain packaging types. Alternative approaches that could accommodate a broader range of packaging formats were suggested.</p> <ul style="list-style-type: none"> • Sought clarity on whether the proposed approach would prohibit the use of HSR display formats that include energy or nutrient elements or permit the continued voluntary use of the extended display formats. • Suggestions to include government endorsement or attribution within the symbol. 	
Front-of-pack location	
<ul style="list-style-type: none"> • Concerns raised on the proposed mandatory front-of-pack location requirement included: <ul style="list-style-type: none"> – it would create a disproportionate implementation and regulatory burden – relying on the ordinary meaning of “front of pack”, rather than defining the term in the Code could result in ambiguity, inconsistent interpretation and application, and enforcement challenges – for imported foods, the use of over-stickering and the proposed exemption from the front-of-pack location requirement have potential implications for consistency, comparability and equitable treatment of domestic and imported products. • Greater flexibility and manufacturer discretion to select the most appropriate display surface, including the side, top or back of the package, should be allowed. • The HSR could also be displayed through supplementary mechanisms, including QR codes, shelf labels and online or other digital formats. 	<p>FSANZ is proposing to retain the approach outlined at the 1st CFS as the available evidence and current market practice support requiring the primary HSR symbol on the FoP. See Section 5.2 of SD2 for further information.</p> <p>FSANZ is not proposing to define the term ‘front of a pack’, is providing flexibility on FoP placement, and is permitting the use of over-stickering for imported foods. For further detail see Section 5.2.3 of SD2.</p> <p>Shelf labels, QR codes, online displays and explanatory material may supplement, but would not replace, the required HSR symbol on the FoP.</p>
Presentation and legibility	
<ul style="list-style-type: none"> • The proposed requirements may not be sufficient to ensure that the HSR symbol is consistently visible, legible, prominent and accessible. • More detailed technical specifications relating to colour contrast, minimum size, clear space, readability and placement on the front of the package are needed to support accessible and equitable consumer access, system integrity, regulatory clarity and enforceability. • Additional measures are required to support consistent implementation, including guidance and ongoing monitoring of implementation. 	<p>FSANZ is proposing to retain the approach outlined at the 1st CFS for presentation and legibility of the HSR graphic. See Section 5.3 of SD2 for further information.</p> <p>The HSR symbol may be scaled and coloured to suit the package, provided it retains the trademarked design, remains legible and prominent, and contrasts distinctly with the label background.</p>

Issue	FSANZ response
Application of interpretive colour	
<ul style="list-style-type: none"> Comments in relation to the future consideration of applying interpretive colour to the HSR symbol included: <ul style="list-style-type: none"> applying interpretive colour to support further within-category comparison would be inconsistent with the intended operation of the HSR system as a comparative, graded numerical rating. potential for consumer confusion, including where the message conveyed by the colour may not align with the numerical rating. the inclusion of colour was considered to combine two distinct interpretive labelling concepts, creating confusion about what the HSR is designed to communicate. potential implementation, cost and market impacts, including impacts on packaging, printing and compliance. any future consideration of interpretive colour should be informed by supporting evidence, consumer research involving diverse and potentially vulnerable population groups, stakeholder consultation and real-world testing. 	<p>FSANZ is not proposing to consider the application of interpretive colour to the HSR symbol in P1067. See Section 5.1 of SD2 for further information.</p>

Table B.6. Declaration of Health Star Rating algorithm components

Issue	FSANZ response
Approach, compliance and enforcement	
<ul style="list-style-type: none"> Concerns raised about the proposed approach included: <ul style="list-style-type: none"> should only be introduced if there is clear evidence it improves consumer understanding and provides benefit outweighing costs not necessary or proportionate to achieve regulatory compliance businesses already meet compliance requirements in the Code that are not declared publicly increased enforcement complexity and higher and ongoing compliance costs and administrative burden especially for products already compliant with the HSR requirements increased label complexity and may be difficult for consumers to interpret, particularly where the HSR appears inconsistent with the nutritional value 	<p>FSANZ has reconsidered the proposed approach for the declaration of algorithm components and is now proposing FVNL and calcium content to be provided to enforcement agencies on request. For dietary fibre, FSANZ is proposing to retain the approach proposed at the 1st CFS, requiring its declaration on the label when used in the HSR algorithm. See Section 4 of SD2 for further information.</p>

Issue	FSANZ response
<p>reflected in the NIP</p> <ul style="list-style-type: none"> – limited evidence it is widely understood or utilised by consumers thus unlikely to improve understanding or healthier choices – implementation impacts including updating product specifications and nutrient data sets and additional analytical testing and costs. <ul style="list-style-type: none"> • Alternatively, declaration of components could be provided in digital format on label (barcode, QR code). • Consumers have a poor understanding of how the HSR is calculated, and limited understanding of the underlying algorithm. Simply listing the algorithm components on pack will not help to resolve the fundamental issue of label literacy without significant accompanying investment in consumer education on how to use the system. • If needed primarily for substantiation or enforcement, businesses should be able to hold appropriate records and provide on request through existing mechanisms, rather than being required to declare all information on pack. • Enforceability gap and an equity concern, following directly from designing inputs (FVNL content, the 75% rule) as they can be only substantiated by documentation rather than analytically. • Challenging in a global market where there is supply chain volatility. Authenticity of recipe records and reconstitution factors for an overseas supply chain cannot realistically be verified by Australian or New Zealand enforcement agencies, and importers that re-label may not hold the underlying formulation data. • Should align with existing NIP requirements wherever possible, to minimise duplication, reduce compliance burden and simplify enforcement. 	
Proprietary information	
<ul style="list-style-type: none"> • Disclosure of proprietary information was a major concern, e.g., <ul style="list-style-type: none"> – a mixed vegetable juice with no characterising ingredients would reveal recipe – lasagna bake sauce where tomato puree percentage is declared as a characterising ingredient but not other FVNL – barbecue sauce with no characterising ingredients – proportions of tomatoes, apple puree and onion are confidential. • Suggest the approach to FVNL declaration be carefully considered to balance transparency with the protection of proprietary information and only required where content reaches the minimum threshold within the algorithm. 	<p>FSANZ has reconsidered the approach to the declaration of FVNL and is no longer proposing declaration of FVNL content on the label for the purposes of the HSR algorithm. See Section 4.3.1 of SD2 for further information.</p>

Issue	FSANZ response
Fibre	
<ul style="list-style-type: none"> Fibre analysis is complex, costly and often requires specialist laboratories, with limited testing capacity for many Code-approved methods and needs to be considered in transition timelines, cost estimates and resourcing assumptions, particularly if suppliers must test ingredients to support compliance. The Nutrition Panel Calculator does not calculate dietary fibre values, so this will result in significant costs and resource requirements. 	<p>As modifying points are optional in the HSR calculation, there is no requirement for manufacturers to analyse dietary fibre content solely for HSR purposes, avoiding the associated costs and complexities. See Section 4.3.2 of SD2 for further information.</p>
Calcium	
<ul style="list-style-type: none"> Mandatory declaration risks unintended interactions with nutrition content claim provisions, specifically: <ul style="list-style-type: none"> consumer confusion – risks consumers believing the food provides a nutrition benefit forces manufacturers to prove a negative, i.e. the cheese contains less than the 320 mg/100 g threshold. No other vitamin or mineral can be permitted in the NIP without meeting the relevant 'source of' requirements in the Code, thereby creating a regulatory inconsistency/conflict/non-compliance. Enforcement agencies can request the information or use databases. 	<p>FSANZ has reconsidered the proposed approach for the declaration of calcium on the label and is instead proposing this information be provided to enforcement agencies on request. See Section 4.3.1 of SD2 for further information.</p>
% FVNL	
<ul style="list-style-type: none"> Concerns raised about declaring % FVNL included: <ul style="list-style-type: none"> will require label changes, disclosure of confidential information, and space limitations on label. If required, should be flexible in placement, including standalone, in the NIP or product name. where FVNL amount does not affect HSR creates clutter and confusion particularly if generic wording refers to nuts or legumes not present in the product won't add value for consumers, unlikely to be meaningful adds another metric for declaring percentages, could cause consumer confusion require a new Global Trade Item Number (GTIN) at extra expense Suggest %FVNL be provided on request as aligns with the approach for other mandatory information and self-substantiation of health claims and supports 	<p>FSANZ has reconsidered the proposed approach for the declaration of FVNL information on the label and is instead proposing this information be provided to enforcement agencies on request. See Section 4.3.1 of SD2 for further information.</p>

Issue	FSANZ response
<p>transparency and enforcement while avoiding unnecessary label clutter and protecting commercially sensitive formulation information.</p> <ul style="list-style-type: none"> • Voluntary display of HSR should comply with all requirements for mandatory display. If a HSR symbol is voluntarily displayed on a food with FVNL, the FVNL content should be required to be stated or provided in alignment with requirements associated with mandatory display. • Support not requiring declaration in the ingredient list as not all FVNL will be characterising ingredients, so should have flexibility in placement. • Suggest prescribing location for FVNL declaration. Notes subsection 1.2.10—8(2) requires characterising ingredients in statement of ingredients, and as based on same calculation, should be in line with this. 	
FVNL consumer understanding	
<ul style="list-style-type: none"> • Concerned about use of acronym 'FVNL' on label: <ul style="list-style-type: none"> – not recognised by consumers, could be confusing – could be interpreted to mean the food contains a mixture when it only contains one component such as fruit. • Potential for confusion with mandatory allergen declarations. FVNL calculations may include categories such as nuts as part of the broader algorithm, even where nut ingredients are not present in the final product. Displaying this information on pack could lead consumers, especially those managing food allergies, to incorrectly assume that the product contains nuts when it does not. • Introducing FVNL-related references to allergenic food groups that are not actually present in the product risks undermining the clarity provided by mandatory allergen declarations, creating unnecessary consumer concern, and potentially leading to inappropriate product avoidance by consumers with food allergies or intolerances. 	<p>FSANZ has reconsidered the proposed approach for the declaration of FVNL information on the label and is instead now proposing this information be provided to enforcement agencies on request. This approach eliminates the potential risk of consumer confusion. See Section 4.3.1 of SD2 for further information.</p>

Table B.7. Costs and benefits

Issue	FSANZ response
Analysis	
<ul style="list-style-type: none"> • The consideration of costs and benefits did not capture the full cost to mandate the HSR on packaged foods. • The analysis should account for the significant operational resources that will be 	<p>The consideration of costs and benefits has been updated at the 2nd CFS to reflect information and feedback received from submitters. This includes a more comprehensive consideration of the operational costs that may occur and that the nature of these impacts may be ongoing. The</p>

Issue	FSANZ response
<p>required to redesign labels.</p> <ul style="list-style-type: none"> The ongoing regulatory burden had not been considered. Compliance costs of small businesses have not been adequately addressed in the analysis and requested these be explicitly considered. Ongoing government resources required for monitoring, compliance, system maintenance, and evaluation should be considered in the analysis. 	<p>analysis can be found in the CRIS (SD3).</p>
Declaring components	
<ul style="list-style-type: none"> There would be additional costs to declare dietary fibre, calcium and FVNL on the label and to provide information on the 75% rule on request. This approach may disproportionately impact small businesses and food importers. 	<p>FSANZ's approach on declaring algorithm components on the label has changed from what was proposed at the 1st CFS. As the use of dietary fibre in the HSR calculation is optional, businesses would only incur label change and analytical costs if they choose to use dietary fibre in the HSR algorithm. Additional regulatory burden may occur from providing calcium, FVNL and dairy content to enforcement agencies on request. However this information is expected to be known by or accessible to food businesses.</p>
Imports and exports	
<ul style="list-style-type: none"> The analysis should consider businesses that manufacture products for multiple markets, where separate packaging for the Australian and New Zealand markets may be required. Overseas producers may find proposed changes overly burdensome and withdraw products from Australian and New Zealand markets. Ongoing regulatory burden for food importers had not been considered, which would impact small food importers. 	<p>In the CRIS FSANZ acknowledges food importers that re-label foods to meet Code requirements may be met with additional costs to label the HSR. FSANZ did not receive information on the number of food importers or the number of SKUs that are re-labelled to sufficiently address this impact. Further information is invited from stakeholders to address this in a future iteration of the RIS.</p>
Limitations of the analysis	
<ul style="list-style-type: none"> Submitters noted several limitations to the analysis, including: <ul style="list-style-type: none"> using a per-SKU label change cost rather than by food category reflecting differences in cost for smaller businesses transition periods. Sensitivity analysis should be undertaken to reflect uncertainty around key assumptions used. 	<p>FSANZ uses an in-house label change cost model that determines a per-SKU cost by different packaging type. P1067 covers a wide range of food categories that will also differ by packaging type and considers this to be appropriate.</p> <p>The consideration of costs and benefits (SD3) has been updated at the 2nd CFS to acknowledge that smaller businesses may be impacted differently in comparison to larger businesses. Sensitivity analysis has also been undertaken to explore how different transition periods would impact industry costs, and tests the assumptions made about packaging type.</p>

Issue	FSANZ response
Opportunity cost of mandating the HSR	
<ul style="list-style-type: none"> There is an opportunity cost of mandating the HSR where resources could instead be used towards innovation. 	<p>Whilst acknowledging there may be a regulatory burden associated with the proposed changes, FSANZ understands food businesses routinely review their food packaging and the proposed transition period (and stock in trade provision) will minimise this burden.</p> <p>Ongoing regulatory costs are likely to be minor and similar to reviewing nutrition information already present on food products. Furthermore, mandating the HSR may encourage innovation in terms of improving the nutritional composition of food products.</p>
Packaging write-offs	
<ul style="list-style-type: none"> Packaging wastage would occur if a transition period does not allow for manufacturers to use existing packaging inventory. 	<p>The proposed 3-year transition period would minimise the likelihood that food businesses will need to write-off packaging. FSANZ understands a business is unlikely to hold more than 3-years' worth of packaging at a time, and that it is unlikely a business takes three-years to use the packaging stock it holds.</p> <p>FSANZ also understands businesses routinely review food packaging. A 3-year transition period enables businesses to coordinate a mandatory labelling change when it is most cost-effective to each individual business within the 3 years. Furthermore, the proposed 2-year stock-in-trade period would be beneficial for products with a longer shelf-life.</p>
Consumer misunderstanding	
<ul style="list-style-type: none"> Consumer misunderstanding has not been adequately considered, particularly regarding the nutritional value of minimally processed foods, and other products where there may be conflicting nutritional messaging. The cost of consumer education to correct misunderstanding has not been adequately considered. 	<p>Section 7.3 of the CRIS (SD3) and Section 6.2.1.2 of the CFS discuss the importance of education in supporting a mandatory HSR system.</p>
Cost of living	
<ul style="list-style-type: none"> There is a potential for the increase in compliance costs to be passed on to consumers through increased food prices. This should be considered alongside the existing cost of living pressures in Australia and New Zealand. 	<p>Section 7.3 of the CRIS (SD3) acknowledges the concerns raised about the existing cost of living pressures and how additional regulatory burden may exacerbate this.</p> <p>As discussed above, the proposed 3-year transition period would minimise this burden and enable businesses to coordinate a mandatory labelling change when it is most cost-effective to each individual business. The</p>

Issue	FSANZ response
	HSR uses information already available to businesses. Ongoing compliance costs are therefore expected to be minor and similar to those associated with reviewing existing nutrition information.
Reformulation	
<ul style="list-style-type: none"> Reformulation requires substantial resources. Reformulation is a business decision and should not be considered as a cost of mandating the HSR. Incentivised reformulation may not lead to meaningful improvements in nutrition content. 	<p>FSANZ acknowledges reformulating food products can be resource intensive. However, reformulation is not a requirement of this proposal. It is considered an indirect impact as a result of maintaining market competitiveness. A business would only reformulate a product where they see the benefits for their business outweigh the costs of doing so.</p> <p>FSANZ acknowledges the nutritional impact of reformulation will vary between foods. However, incentivising reformulation to improve nutritional composition remains an important aspect of the HSR system.</p>

Table B.8. Implementation and other Issues

Issue	FSANZ response
Consumer education	
<ul style="list-style-type: none"> Consumer education is essential for the effective implementation of a mandatory HSR system and to aid consumer understanding and use. Education should cover things such as the purpose of the HSR system; how ratings are calculated; how to use the HSR correctly within categories; what the HSR does and does not measure; any changes associated with introducing a mandatory system. Education should meet the needs of diverse audiences and be tailored accordingly. Education must extend to label elements beyond the stars, for example how to use the NIP and understanding labels more generally. Broader nutrition education (e.g. relating to dietary guidelines) should be prioritised. 	<p>FSANZ supports the need for education and awareness activities to maximise the effectiveness of a mandatory HSR system and to build trust. See Section 6.2.1.2 of the CFS for further information.</p>
Guidance	
<ul style="list-style-type: none"> Requests for guidance materials were made consistently across all areas of the system's application and use. 	<p>FSANZ is responsible for developing draft regulatory measures for FMM endorsement. Guidance on compliance and enforcement of approved measures is developed and implemented through the food regulation system. See Section 6.2.2.2 of the CFS for further information.</p>

Issue	FSANZ response
<ul style="list-style-type: none"> Guidance should be developed to promote consistent interpretation and enforcement of the HSR system across Australian and New Zealand jurisdictions. Matters suggested for inclusion in guidance included: worked examples, size, scaling, clear space, legibility and placement, information targeted for small businesses, calculation methods, product classifications, labelling requirements, imported foods and foods sold through online retail channels. Ongoing support, in the form of online tools and a helpdesk for example, should be provided in addition to guidance. 	
Governance and future reviews	
<ul style="list-style-type: none"> Independent governance and review mechanisms should be established to support a mandatory HSR system. Future review of the HSR algorithm should: <ul style="list-style-type: none"> be periodic, government-led have a clear, transparent governance process involving independent scientific expertise and strong conflict-of-interest safeguards only be introduced where there is a strong, evidence-based justification, given the greater compliance and commercial significance of changes under a mandatory system be clearly sequenced to avoid repeated or overlapping label updates. Standard FSANZ Act processes are insufficient for a comprehensive algorithm review and managing algorithm revisions through standard application processes could invite multiple product- or category-specific applications that may not align with the HSR's public health objectives and could divert FSANZ resources. 	<p>Any future changes to the system including the algorithm would be considered in accordance with statutory processes set out in the FSANZ Act, either via an application or proposal. See Section 6.3.1.2 of the CFS for further information.</p>
Enforcement	
<ul style="list-style-type: none"> Business size and compliance capacity should be recognised as relevant factors in enforcement decision-making. An enforcement framework that applies a graduated enforcement approach and includes explicit recognition of business size should be developed. 	<p>Decisions relating to compliance and enforcement approaches are not proposed to be prescribed as part of P1067.</p>
Monitoring	
<ul style="list-style-type: none"> The effectiveness of the mandatory HSR system should be objectively measured using clear evaluation metrics, performance indicators and review points. 	<p>FSANZ acknowledges the importance of monitoring and evaluation in assessing the effectiveness of a mandatory HSR system. The scope and design of any future monitoring and evaluation arrangements, including relevant measures and indicators, will be considered at a later stage of</p>

Issue	FSANZ response
<ul style="list-style-type: none"> Monitoring should include things such as consumer understanding, the impact of co-display of HSR and claims, purchasing behaviour, dietary patterns, product reformulation, implementation costs. 	P1067.
Food composition database	
<ul style="list-style-type: none"> A mandatory HSR system must be supported by a robust and comprehensive food composition database so that industry has access to current and detailed nutritional data. A food composition database would help to reduce costs associated with analytical testing and would facilitate alignment across the sector for comparable products (e.g. nuts, edible oils, meat) where natural variation occurs. FSANZ's existing data holdings are outdated or incomplete and are of limited usefulness in a mandatory environment. 	<p>FSANZ acknowledges access to reliable food composition data may assist food businesses to calculate HSRs and reduce the need for analytical testing in some circumstances. However, food businesses are responsible for ensuring that the information used to calculate a HSR for their products is accurate and can be substantiated.</p>
Imports and Exports	
<ul style="list-style-type: none"> Possible trade barriers relating to both the import and export of products were noted and included the following: <ul style="list-style-type: none"> Trade and market access risks and uncertainty - HSR may not be recognised, permitted, or accepted in some export markets, or may conflict with overseas regulatory frameworks, policy settings, retailer requirements, or enforcement approaches Packaging and labelling complexity - the need for separate domestic and export packaging, over-stickering, relabelling, or redesign of artwork Increased compliance and operational costs associated with maintaining multiple labelling formats and specifications Reduced international harmonisation – increased regulatory fragmentation and reduced efficiency across global supply chains 	<p>FSANZ acknowledges the potential for the proposed HSR requirements to impact international trade, market access, packaging and labelling, and associated business costs. See Section 4.2 of the CFS and Section 2.2.5 of SD2 for further discussion.</p>
Extension of the HSR system	
<ul style="list-style-type: none"> Front-of-pack labels and the basis for them are the foundation for other policies relating to marketing, claims, food in schools etc and therefore the criteria must be robust. The linkages between HSR and other initiatives beyond food labelling should be leveraged and maximised, for example by integrating the HSR into marketing requirements for food, restricting advertising of low-scoring foods to children, or including HSR thresholds in nutrition standards for public procurement of foods. 	<p>FSANZ acknowledges the HSR system may have broader application across public health policies and initiatives. However, the use of HSR criteria in areas such as food marketing, advertising to children, school food policies and public procurement is outside the scope of P1067 and would be a matter for the relevant policy and regulatory bodies.</p>

Issue	FSANZ response
Digital labelling and e-commerce	
<ul style="list-style-type: none"> • Questions were raised about the application of HSR in online and digital retail environments, including whether the HSR symbol should appear on product tiles, product pages and retailer images, and who would be responsible for maintaining accurate HSR information. • Online sales should be included within scope to ensure consumers have access to the HSR at the point of purchase online. Equivalent online pre-purchase information is required to maximise system effectiveness, consumer trust, and informed decision-making. • Digital labelling should be leveraged to provide flexible delivery options and to overcome space constraints - HSRs on product webpages, online ordering platforms, company websites, or through QR codes would provide more detailed, accessible information, including larger formats and multiple languages. • Digital labelling should supplement, not replace, mandatory on-pack HSR display. • QR codes should link to a standardised government-hosted database. 	<p>Specific provisions for HSR display in online sales environments have not been considered under P1067, as the digital provision of food information is being considered through broader policy work across the Food Regulation System, including FSANZ's principles-based review of food labelling in the digital era.</p>

Appendix 3: FSANZ response to key issues received via WTO notifications

In response to the WTO notifications at the 1st CFS, FSANZ received comments from the PR China, the EU and Indonesia. Table A summarises the key issues received and FSANZ response to these issues.

Table A: FSANZ response to comments received from the WTO notification at 1st CFS

Issue	Raised by	FSANZ response
Scientific basis for HSR algorithm		
<ul style="list-style-type: none"> The scientific basis supporting the HSR algorithm has not been sufficiently substantiated. Consistent with section 3.2 of the Codex Guidelines on Nutrition Labelling (CAC/GL 2-1985), which requires that the data used be reliable, transparent and verifiable, recommends that FSANZ discloses all algorithm parameters, scoring tables, scientific evidence and validation reports. 	P R China	At the 1st CFS FSANZ provided an overview of the HSR algorithm's history, methodological basis, data sources and previous review reports, in addition to an assessment of the overall performance of the HSR algorithm for the voluntary system. See SD3 - Performance of the Health Star Rating algorithm to the 1st CFS for further information.
<ul style="list-style-type: none"> Suggests FSANZ provides the scientific basis for the selected nutrient criteria, the evidence supporting the weighting of those criteria, and the reasons for concluding that the algorithm communicates overall nutritional quality accurately enough to justify mandatory use. 	EU	The nutrient criteria used in the HSR algorithm are intended to align with recommendations made in the Australian Dietary Guidelines (ADG) and New Zealand Eating and Activity Guidelines (NZEAG). Further analysis of the HSR algorithm's performance in aligning with the ADG and NZEAG was undertaken at the 2nd CFS. See SD1 for further information.
<ul style="list-style-type: none"> The algorithm may not fully reflect the health characteristics of olive oil. Requests FSANZ explain how it evaluated the category of edible oils and whether the current methodology may unintentionally disadvantage products whose health profile depends on factors not fully recognised by the algorithm e.g. olive oil polyphenols. 	EU	A previous comprehensive review of the HSR algorithm considered the treatment of olive oil and concluded the HSR system was performing as intended by helping consumers compare similar products and identify healthier options within a food category. The review noted the HSR system is designed to use a consistent nutrient-based approach and cannot account for all factors that may contribute to a food's health benefits. As a result, it concluded it would not be appropriate to increase the rating of one type of oil based on factors not considered consistently across other food products. Further information is provided in Section 2.2.6.1.5 of SD5 - Technical Assessments to the 1st CFS.
HSR algorithm calculation		
<ul style="list-style-type: none"> Seeks clarity on the HSR calculation including the underlying algorithm, assessment parameters, product categories covered, and the evaluation approach applied to foods with specific characteristics and further information on: <ul style="list-style-type: none"> official methodology and technical guidance 	Indonesia	Information on the algorithm used to determine a HSR for the voluntary system can be found at Appendix 1 of the Health Star Rating system Implementation Guide (Department of Health, Disability & Ageing 2025) and for the mandatory system at Appendix 1 of SD1. FSANZ, along with the Australian and New Zealand enforcement authorities, expect to consider the development of guidance materials to

Issue	Raised by	FSANZ response
Recognition of other front-of-pack nutrition rating systems		
<ul style="list-style-type: none"> For imported foods, requiring HSR calculations and labelling based solely on the Australian and New Zealand algorithm may increase compliance costs, extend product time-to-market and impose additional market access burdens on exporters. Suggests that, while maintaining the objectives of consumer information and public health promotion, FSANZ recognise equivalent official front-of-pack nutrition rating systems adopted by major jurisdictions through mutual recognition or equivalence arrangements (e.g. Nutri-Score, UK Traffic Light Nutrition Scheme). 	PR China	Available consumer evidence indicates consumer awareness of the HSR system is high in Australia and New Zealand (See Section 2.1 of the CFS). Under the proposed approach, imported foods would be subject to the same HSR requirements as other foods within the scope of the mandatory HSR system. Consistent display of the HSR is important to the effectiveness of the system. Allowing imported foods to use a modified HSR or a different overseas FOPL system could create consumer confusion and reduce the effectiveness of the HSR system in supporting consumers to make healthier food choices.
<ul style="list-style-type: none"> To what extent will the proposed mandatory system apply to imported products, given some trading partners already have similar or equivalent labelling systems. Will Australia and New Zealand accept foreign HSR symbols, or will imported products have to adjust obligatorily to domestic conditions? 	EU	
Presentation of HSR symbol		
<ul style="list-style-type: none"> Suggests the HSR symbol appearance and location requirements on front-of-pack are revised to allow greater flexibility for manufacturers (and reduced cost), while still meeting regulatory objectives. Suggests absence of uniform technical requirements relating to size and scaling ratio of the HSR symbol may result in inconsistent presentation across products making it more difficult for consumers to identify the label, for regulators to check compliance and for consistent implementation. For small packages, implementation of the HSR symbol may require label design and therefore increase costs. Recommends establishing appropriate size-based display requirements or exemption arrangements for small packages. 	P R China	<p>For imported foods, the proposed approach includes flexibility by allowing the HSR symbol to be included on a new label (i.e. over-sticker) with other required information to help minimise label costs. See Section 5.2.3.2 of SD2 for further information.</p> <p>As detailed in Appendix 1 of SD4 - Health Star Rating symbol assessment to the 1st CFS, FSANZ's assessment on HSR symbol presentation, on-pack location and placement, and legibility, did not provide sufficient quantitative basis for developing HSR-specific size or scaling requirements. Therefore, the proposed approach permits the HSR symbol be sized and scaled to suit the package, provided it retains the prescribed design and remains legible. See Section 5.3 in SD2 for further information.</p> <p>To maintain alignment with labelling requirements for a NIP where possible, food sold in small packages (i.e. <100 cm²) would not be required to display a HSR symbol as these foods are not required to be labelled with a NIP. Further information is provided in Section 2.2.6.3.6 of SD5 – Health Star Technical assessments to the 1st CFS and Section 2.2.3.3.4 of SD2.</p>

Issue	Raised by	FSANZ response
Display of HSR at point of sale		
<ul style="list-style-type: none"> Suggest FSANZ reassesses the feasibility of HSR being displayed adjacent to foods at point of sale. This approach would reduce labelling costs for imported foods. 	P R China	<p>Requiring the display of the HSR symbol on front-of-pack ensures consumers have ready access to consistent information at the point of sale. However, in a few specific cases, the proposed approach allows for the HSR symbol to be displayed adjacent to foods at point of sale. See Section 2.2.3 of SD2 for details.</p> <p>For imported foods, the proposed approach includes flexibility by allowing the HSR symbol to be included on a new label (i.e. over-sticker) with other required information to help minimise label costs. See Section 5.2.3.2 of SD2 for further information.</p>
Implementation of mandatory HSR		
<ul style="list-style-type: none"> Suggests phased implementation, initially applying the requirements to enterprises with larger trade volumes and allowing a transitional period of one to two years. 	P R China	FSANZ is proposing a 3-year transition period with an additional two-year stock-in-trade period to allow adequate time for food businesses, food importers and exporters, including SMEs, to implement the mandatory HSR system. See Section 6.1 of the CFS for further information.
<ul style="list-style-type: none"> Seeks information on transitional arrangements including for stock-in-trade, noting an adequate transition period is needed particularly for small and medium-sized enterprises (SMEs). 	Indonesia	
<ul style="list-style-type: none"> Seeks information on whether any exemptions, special provisions, phased implementation arrangements, or extended transition periods are being considered for SMEs and small-scale exporters that may face disproportionate compliance costs. 	Indonesia	FSANZ, along with the Australian and New Zealand enforcement authorities, expect to consider the development of guidance materials to support the effective and consistent implementation of the proposed mandatory HSR system, including for food exporters and importers. See Section 6.2.2.2 of the CFS for further information.
<ul style="list-style-type: none"> Requests the capacities and resources of SMEs, as well as exporters supplying products in relatively small volumes, including foods intended for market testing purposes are considered. There could be simplified or flexible implementation arrangements, for SMEs and low-volume exports, while continuing to achieve the intended public health objectives of the measure. 	Indonesia	For imported foods, the proposed approach includes flexibility by allowing the HSR symbol to be included on a new label (i.e. over-sticker) with other required information to help minimise label costs. See Section 5.2.3.2 of SD2 for further information.
<ul style="list-style-type: none"> Suggests the provision of technical guidance, awareness-raising activities, implementation support measures, training programmes, and consultation mechanisms for exporters would facilitate compliance and help minimize potential trade disruptions. 	Indonesia	
<ul style="list-style-type: none"> Seeks clarification on whether the use of sticker labelling or over-sticker labelling for the display of the HSR symbol on imported products would be permitted during the transition period as this would reduce costs. 	Indonesia	

Attachments

A. Draft variations to the Australia New Zealand Food Standards Code

- Draft Standard 1.2.13 - Health Star Rating
- Draft Schedule 30 – Determination of Health Star Rating
- Draft Schedule 31 – Prescribed form of a Health Star Rating Symbol
- Draft Food Standards (Proposal P1067 – Health Star Rating – Consequential Amendments) Variation

B. Draft Explanatory Statements

- Draft Explanatory Statement - Standard 1.2.13 - Health Star Rating
- Draft Explanatory Statement - Schedule 30 – Determination of Health Star Rating
- Draft Explanatory Statement - Schedule 31 – Prescribed form of a Health Star Rating Symbol
- Draft Explanatory Statement - Food Standards (Proposal P1067 – Health Star Rating – Consequential Amendments) Variation

Attachment A – Draft variations to the Australia New Zealand Food Standards Code



Standard 1.2.13 – Health Star Rating

The Board of Food Standards Australia New Zealand gives notice of the making of this Standard under section 92 of the *Food Standards Australia New Zealand Act 1991*. The Standard commences on the date of gazettal.

Dated [To be completed by the Delegate]

[Name of Delegate]

Delegate of the Board of Food Standards Australia New Zealand

Note:

This Standard will be published in the Commonwealth of Australia Gazette No. FSC XX on XX Month 20XX. This means that this date is the gazettal date for the purposes of the above notice.

Standard 1.2.13 Health Star Rating

Note 1 This instrument is a standard under the *Food Standards Australia New Zealand Act 1991* (Cth). The standards together make up the *Australia New Zealand Food Standards Code*. See also section 1.1.1—3.

Note 2 The provisions of the Code that apply in New Zealand are incorporated in, or adopted under, the *Food Act 2014* (NZ). See also section 1.1.1—3.

Division 1 Preliminary

1.2.13—1 Name

This Standard is *Australia New Zealand Food Standards Code* – Standard 1.2.13 – Health Star Rating

Note Commencement:

This Standard commences on the date of gazettal, being the date specified as the commencement date in notices in the *Gazette* and the *New Zealand Gazette* under section 92 of the *Food Standards Australia New Zealand Act 1991* (Cth). See also section 93 of that Act.

1.2.13—2 Definitions

In this Standard:

excluded food means any of the following foods:

- (a) a beverage that:
 - (i) contains less than 0.5% alcohol by volume; and
 - (ii) is:
 - (A) represented as a non-alcoholic or low alcohol alternative to an alcoholic beverage; or
 - (B) a brand extension of an alcoholic beverage;
- (b) a beverage, other than a brewed soft drink, that:
 - (i) contains no less than 0.5% alcohol by volume; and
 - (ii) is not a *standardised alcoholic beverage;
- (c) a standardised alcoholic beverage;
- (d) a food represented as a cocktail mixer with directions for use that include the addition of an alcoholic beverage (such as a spirit);
- (e) a kit which is intended to be used to produce a standardised alcoholic beverage;
- (f) an infant formula product;
- (g) a food for infants;
- (h) a formulated supplementary food for young children;
- (i) a formulated meal replacement;
- (j) a formulated supplementary sports food;
- (k) a food for special medical purposes;
- (l) kava;
- (m) food delivered to a vulnerable person by a delivered meal organisation;
- (n) food, other than food in a package, that is provided to a patient in a hospital or a *medical institution.

food for retail sale includes food that is not food for retail sale if the food is suitable for retail sale without further processing, packaging or labelling.

imported food means a food for retail sale that:

- (a) is an imported food; and
- (b) is required by Standard 1.2.1 to *bear a label with a nutrition information panel; and
- (c) has been re-labelled in accordance with section 1.2.1—22 with a new label.

optional nutrition information panel means a voluntary nutrition information panel that:

- (a) contains the information as required for a mandatory nutrition information panel; and
- (b) is set out in a format in Schedule 12.

packaged water includes packaged carbonated water, packaged mineral water and packaged spring water, but not packaged ice.

Division 1A Transitional arrangements

1.2.13—2A Transitional arrangement

- (1) Subsection 1.1.1—9(1) does not apply to this Standard.
- (2) During the transition period, a food may be sold if the product complies with one of the following:
 - (a) the Code as in force without the P1067 variations; or
 - (b) the Code as amended by the P1067 variations.
- (3) A food that was packaged and labelled before the end of the transition period may be sold during the post-transition period if the product complies with one of the following:
 - (a) the Code as in force without the P1067 variations; or
 - (b) the Code as amended by the P1067 variations.
- (4) For the purposes of this section,
the P1067 variations mean the following instruments:
 - (a) this Standard;
 - (b) Schedule 30;
 - (c) Schedule 31;
 - (d) the *Food Standards (Proposal P1067— Health Star Rating – Consequential Amendments) Variation*.

the post-transition period means the 24 month period commencing on the day after the transition period ends.

the transition period means the period commencing on the date of the commencement of this Standard and ending 36 months after that date.

Division 2 Prohibited use of a Health Star Rating Symbol

1.2.13—3 Prohibited use of a Health Star Rating Symbol

Unless required or expressly permitted by this Code, a Health Star Rating Symbol must not be:

- (a) displayed on the label of a food for sale; or
- (b) displayed or provided in connection with a food for sale.

1.2.13—4 Health Star Rating Symbol prohibited for excluded foods

Despite any other provision of this Standard, a Health Star Rating Symbol must not be:

- (a) displayed on the label of a food for sale that is an excluded food; or
- (b) displayed or provided in connection with a food for sale that is an excluded food.

Division 3 Health Star Rating Symbol - Foods for retail sale

1.2.13—5 When this Division applies

This Division applies to food for retail sale.

1.2.13—6 Foods that must display a Health Star Rating Symbol

A Health Star Rating Symbol must be displayed on the label of the food if the food is:

- (a) a food required by Standard 1.2.1 to *bear a label with a nutrition information panel; or
- (b) packaged water.

1.2.13—7 Optional Health Star Rating Symbol - Packaged food not required to have a nutrition information panel

- (1) This section applies if the food is:
 - (a) required to *bear a label because of section 1.2.1—6; and
 - (b) a food listed in subsection 1.2.8—5(2); and
 - (c) not a food about which a *claim requiring nutrition information is made;
 - (d) not one of the following:
 - (i) packaged water;
 - (ii) a food to which section 1.2.13—10 applies.
- (2) A Health Star Rating Symbol may be displayed on the label of the food, provided that a nutrition information panel is also included on the label of that food.

1.2.13—8 Optional Health Star Rating Symbol – Foods not required to bear a label and display nutrition information

- (1) This section applies if the food is not any of the following:
 - (a) a food required to *bear a label because of section 1.2.1—6;
 - (b) a food to which section 1.2.13—9 applies; or
 - (c) a food to which section 1.2.13—10 applies.
- (2) A Health Star Rating Symbol may be displayed on the label of the food if an optional nutrition information panel is included on the label of the food.
- (3) A Health Star Rating Symbol may be displayed in connection with the display of the food if an optional nutrition information panel is:
 - (a) included on the label of the food; or
 - (b) displayed in connection with the display of the food.

1.2.13—9 Optional Health Star Rating Symbol – foods not required to bear a label but for which nutrition information must be displayed or provided

- (1) This section applies if:
 - (a) the food is not a food required to *bear a label because of section 1.2.1—6; and
 - (b) in accordance with subsection 1.2.1—9(6), the information required for a nutrition information panel must be:
 - (i) displayed in connection with the display of the food; or
 - (ii) provided to the purchaser on request.
- (2) A Health Star Rating Symbol may be displayed on the label of the food if an optional nutrition information panel is included on the label of the food.

- (3) A Health Star Rating Symbol may be displayed in connection with the display of the food if an optional nutrition information panel is:
 - (a) included on the label of the food; or
 - (b) displayed in connection with the display of the food.

1.2.13—10 Optional Health Star Rating Symbol - Fruit, vegetables, legumes, fungi and herbs that receive an automatic 5 health star rating

- (1) This section applies if the food:
 - (a) scores a Health Star Rating of 5 in accordance with section S30—5; and
 - (b) is not a food to which section 1.2.13—6 applies.
- (2) A Health Star Rating Symbol may be:
 - (a) displayed on the label of the food; or
 - (b) displayed in connection with the display of the food.

1.2.13—11 Optional Health Star Rating Symbol – Food sold in a hamper

- (1) This section applies if the food is sold in a *hamper.
- (2) A Health Star Rating Symbol may be displayed on or in connection with a food in the hamper provided that a nutrition information panel is also displayed on or in connection with that food.

Division 4 Optional Health Star Rating Symbols – Other sales of food

1.2.13—12 Optional Health Star Rating Symbol - Food sold to a caterer

- (1) A Health Star Rating Symbol may be displayed in relation to a food sold to a *caterer provided that the Health Star Rating Symbol is:
 - (a) displayed on the label of the food; or
 - (b) provided in documentation.
- (2) The Health Star Rating Symbol referred to in paragraph (1)(a) may appear anywhere on the label of the package of the food.

1.2.13—13 Optional Health Star Rating Symbol - Other sales of food

- (1) This section applies to a food for sale other than:
 - (a) a food for retail sale; or
 - (b) a food sold to a *caterer.
- (2) A Health Star Rating Symbol may be:
 - (a) displayed on the label of the food; or
 - (b) provided in documentation.
- (3) The Health Star Rating Symbol referred to in paragraph (2)(a) may appear anywhere on the label of the package of the food.

Division 5 Required form for Health Star Rating Symbols

1.2.13—14 Application

This Division applies to a Health Star Rating Symbol that is required or permitted by this Standard to be displayed in relation to a food for sale.

1.2.13—15 Required form for a Health Star Rating Symbol

- (1) The Health Star Rating Symbol displayed must be in the form of the Health Star Rating Symbol that:

- (a) is listed in Column 1 of the table to subsection (2); and
 - (b) corresponds to the health star rating stated in Column 2 of that table for the food to which the Health Star Rating Symbol relates.
- (2) The table to this subsection is:

Required form for a Health Star Rating Symbol	
<i>Health Star Rating Symbol</i>	<i>The food's Health Star Rating</i>
The symbol prescribed by paragraph S31—1(a)	0.5
The symbol prescribed by paragraph S31—1(b)	1
The symbol prescribed by paragraph S31—1(c)	1.5
The symbol prescribed by paragraph S31—1(d)	2
The symbol prescribed by paragraph S31—1(e)	2.5
The symbol prescribed by paragraph S31—1(f)	3
The symbol prescribed by paragraph S31—1(g)	3.5
The symbol prescribed by paragraph S31—1(h)	4
The symbol prescribed by paragraph S31—1(i)	4.5
The symbol prescribed by paragraph S31—1(j)	5

1.2.13—16 Additional information required for food required to be drained or reconstituted

- (1) This section applies if the labelling of the food for sale to which the Health Star Rating Symbol relates contains directions indicating that the food should be:
 - (a) reconstituted with water before consumption; or
 - (b) drained before consumption.
- (2) The labelling for the food must explain the Health Star Rating Symbol relates to the drained or reconstituted food.
- (3) The information required by subsection (2) must be set out in a statement adjacent to the Health Star Rating Symbol.

Division 6 Where the Health Star Rating Symbol must appear on the label of a food for retail sale

1.2.13—17 Application

This Division applies to a Health Star Rating Symbol that is required or permitted by this Standard to be displayed on a label of a food for retail sale.

1.2.13—18 Placement of Health Star Rating Symbol

- (1) Subject to subsection (2) and section 1.2.13—19, the Health Star Rating Symbol must appear on the front of the package of the food.
- (2) If the food is an imported food, the Health Star Rating Symbol may instead appear on the new label.
- (3) The Health Star Rating Symbol that appears on the front of the package of the food may also appear elsewhere on the label of the package, or on another layer of packaging of that food.

1.2.13—19 Requirement for multi-packs

- (1) This section applies to a package of food that:

- (a) contains more than one kind of food (individual food); and
 - (b) displays more than one nutrition information panel.
- (2) If each individual food has the same health star rating, a single Health Star Rating Symbol corresponding to that health star rating must be displayed on the front of the package of the food, with the Health Star Rating Symbol displayed in a manner that indicates that it applies to each individual food.
- (3) If each individual food does not have the same health star rating, either:
 - (a) a single Health Star Rating Symbol corresponding to the lowest health star rating of the individual foods must be displayed on the front of the package of food, and a Health Star Rating Symbol for each individual food must be displayed in connection with the nutrition information panel for that individual food; or
 - (b) a Health Star Rating Symbol for each individual food must be displayed on the front of the package of food, with each symbol displayed in a manner that clearly identifies the individual food to which it relates.
- (4) The Health Star Rating Symbol for an individual food may also appear on any package of the individual food.

Schedule 30 – Determination of Health Star Rating

The Board of Food Standards Australia New Zealand gives notice of the making of this Standard under section 92 of the *Food Standards Australia New Zealand Act 1991*. The Standard commences on the date of gazettal.

Dated [To be completed by the Delegate]

[Name of Delegate]

Delegate of the Board of Food Standards Australia New Zealand

Note:

This Standard will be published in the Commonwealth of Australia Gazette No. FSC XX on XX Month 20XX. This means that this date is the gazettal date for the purposes of the above notice.

Schedule 30

Determination of Health Star Rating

Note 1 This instrument is a standard under the *Food Standards Australia New Zealand Act 1991* (Cth). The standards together make up the *Australia New Zealand Food Standards Code*. See also section 1.1.1—3.

Health Star Rating requirements are regulated by Standard 1.2.13. This Standard prescribes how a Health Star Rating is determined for the purposes of Standard 1.2.13.

Note 2 The provisions of the Code that apply in New Zealand are incorporated in, or adopted under, the *Food Act 2014* (NZ). See also section 1.1.1—3.

Division 1 Preliminary

S30—1 Name

This Standard is *Australia New Zealand Food Standards Code – Schedule 30 – Determination of Health Star Rating*.

Note Commencement:

This Standard commences on the date of gazettal, being the date specified as the commencement date in notices in the *Gazette* and the New Zealand Gazette under section 92 of the *Food Standards Australia New Zealand Act 1991* (Cth). See also section 93 of that Act.

S30—2 Definitions

Note In this Code (see section 1.1.2—3)

cheese means:

- (a) the ripened or unripened solid or semi-solid milk product, whether coated or not, that is obtained by one or both of the following processes:
 - (i) wholly or partly coagulating milk, or materials obtained from milk, or both, through the action of rennet or other suitable coagulating agents, and partially draining the whey which results from such coagulation;
 - (ii) processing techniques involving concentration or coagulation of milk, or materials obtained from milk, or both, which give an end-product with similar physical, chemical and organoleptic characteristics as the product described in subparagraph (a)(i); or
- (b) such a product with any of the following ingredients added during production:
 - (i) water;
 - (ii) lactic acid producing microorganisms;
 - (iii) flavour producing microorganisms;
 - (iv) gelatine;
 - (v) starch;
 - (vi) vinegar;
 - (vii) salt;
 - (viii) tall oil phytosterol esters added in accordance with Standard 2.5.4.

cream means a milk product comparatively rich in fat, in the form of an emulsion of fat-in-skim milk that is obtained by:

- (a) separation from milk; or
- (b) separation from milk, and the addition of milk or products obtained from milk.

evaporated milk means:

- (a) a food obtained by the partial removal of water by heat from milk, with the possible addition of one or more of the following:
 - (i) salt;
 - (ii) water; or
- (b) a food of the same composition obtained by any other process.

fermented milk means a food obtained by fermentation of milk or products derived from milk, where the fermentation involves the action of microorganisms and results in coagulation and a reduction in pH.

processed cheese means a product manufactured from cheese and products obtained from milk, which is heated and melted, with or without added emulsifying salts, to form a homogeneous mass.

- (1) In this Schedule, the following definitions apply:

a Category 1 food—see subsection S30—7(1).

a Category 1D food—see subsection S30—7(2).

a Category 2 food—see subsection S30—7(3).

a Category 2D food—see subsection S30—7(4).

a Category 3 food—see subsection S30—7(6).

a Category 3D food—see subsection S30—7(7).

a non-frozen dairy food means any of the following:

- (a) cheese that is not a Category 3D food;
- (b) processed cheese that is not a Category 3D food;
- (b) cream;
- (c) evaporated milk;
- (d) fermented milk products (including yoghurt);
- (e) a mixture of any of the following:
 - (i) foods listed in paragraphs (a) to (d);
 - (ii) milk;
 - (iii) Category 1D foods;
 - (iv) Category 3D foods.

cheese and crackers means a multicomponent food that contains only:

- (a) cheese with a calcium content of no less than 320 mg/100 g; and
- (b) crackers.

HSR points means health star ratings points.

milk means any of the following:

- (a) milk;
- (b) dried milk;
- (c) skim milk;
- (d) buttermilk;
- (e) a mixture of any of two or more of the above foods.

multicomponent food means a package of food comprised of two or more distinct components, intended to be consumed together but where each component could also be regarded as a separate food when sold individually.

packaged water includes packaged carbonated water, packaged mineral water and packaged spring water, but not packaged ice.

Division 2 Automatic health star ratings

S30—3 Health star rating for packaged water

- (1) Packaged water has a health star rating of 5 if the food complies with subsection (2).
- (2) Subject to subsection (3), the food must not contain any ingredient other than water.
- (3) The food may contain any of the following:
 - (a) carbon dioxide;
 - (b) fluoride in accordance with Standard 2.6.2.

Note Packaged water is standardised in Standard 2.6.2 of the Code. See sections 2.6.2—3 and 2.6.2—4.

S30—4 Health star rating for unsweetened water-based flavoured beverages

- (1) An unsweetened water-based flavoured beverage has a health star rating of 4.5 if the food complies with subsection (2).

- (2) Subject to subsection (3), the food must not contain any ingredient other than water.
- (3) The food may contain:
- (a) a substance permitted for *use as a processing aid in water-based flavoured beverages; and
 - (b) a substance permitted for *use as a food additive in water-based flavoured beverages.
- Note** 'Water-based flavoured beverages' are water-based flavoured drinks for the purposes of Schedules 15 and 18.
- (4) Despite paragraph (3)(b), the food must not contain the following substances that are permitted for *use as a food additive in water-based flavoured beverages:
- (a) caffeine;
 - (b) a colouring;
 - (c) an intense sweetener;
 - (d) a substance containing sodium;
 - (e) quinine.
- Note** 'Water-based flavoured beverages' are water-based flavoured drinks for the purposes of Schedule 15.

S30—5

Health star rating for fresh and minimally processed fruit and vegetables

- (1) Each of the following foods has a health star rating of 5 if the food complies with subsection (2):
- (a) fruit (except coconut);
 - (b) vegetables;
 - (c) legumes (except peanuts);
 - (d) fungi;
 - (e) herbs (except stevia).
- (2) The food must:
- (a) be fresh or minimally processed; and
 - (b) subject to subsection (3), be comprised only of one or more foods listed in subsection (1).
- Example** For vegetables to score 5 health stars, the whole of that food for sale must be comprised of vegetables.
- (3) The food may contain:
- (a) water; and
 - (b) a substance permitted for *use as a food additive in that food other than any of the following:
 - (i) a substance containing sodium;
 - (ii) an intense sweetener; and
 - (c) a substance permitted for *use as a processing aid in that food.
- (4) For the purposes of paragraph (2)(a), **minimally processed** means:
- (a) frozen, canned or otherwise hermetically sealed (including cooked), blanched, peeled, diced, cut, or surface treated; and
 - (b) not drying, pulping or pureeing.

Division 3

Determination of a health star rating

S30—6

Form of food to which provisions of this Division apply

A health star rating is to be determined by reference to whichever of the following

forms of the food is applicable:

- (a) if the labelling of the food contains directions indicating that the food should be reconstituted with water before consumption—the food after it is reconstituted with water and ready for consumption;
- (b) if the labelling of the food contains directions indicating that the food should be drained before consuming—the food after it is drained and ready for consumption; and
- (c) for all other foods—the food as sold.

S30—7

Health star rating food categories

- (1) A Category 1 food is any of the following:
 - (a) a beverage that is not a Category 1D food;
 - (b) jelly;
 - (c) ice confections, including water-based ice confections, frozen juice products, frozen fruit ice confections and fruit puree-based ice confections (but not frozen products containing a dairy derived ingredient or a dairy alternative ingredient, such as coconut milk).
- (2) A Category 1D food is a beverage that:
 - (a) contains not less than 75% in total of any one or a combination of the following:
 - (i) milk;
 - (ii) a dairy food that is a Category 2D food;
 - (iii) a dairy analogue, or dairy analogues, derived from legumes and that contains no less than 3% m/m protein derived from legumes (including a dried dairy analogue, or dried dairy analogues, derived from these sources);
 - (iv) a dairy analogue, or dairy analogues, derived from seeds, nuts and/or cereals and that contains no less than 0.3% m/m protein derived from seeds, nuts and/or cereals (including a dried dairy analogue, or dried dairy analogues, derived from these sources); and
 - (b) has a calcium content of no less than:
 - (i) for the purposes of subparagraphs (2)(a)(iii) and (iv)—100 mg/100 mL or per 100 g;
 - (ii) otherwise—75 mg/100 mL or per 100 g.
- (3) A Category 2 food is a food that is not any of the following:
 - (a) a Category 1 food;
 - (b) a Category 1D food;
 - (c) a Category 2D food;
 - (d) a Category 3 food;
 - (e) a Category 3D food;
 - (f) cheese and crackers.
- (4) A Category 2D food is a food that:
 - (a) contains not less than 75% in total of any one or a combination of the following:
 - (i) a non-frozen dairy food;
 - (ii) a non-frozen dairy analogue derived from legumes; and
 - (b) is not a Category 1D food; and
 - (c) is not a Category 3D food; and
 - (d) is not condensed milk.

Note Although a Category 2D food must not be a Category 1D or a Category 3D food, a Category 2D food is not precluded from containing a Category 1D food or Category 3D food as an ingredient.

- (5) For the purposes of subparagraph (4)(a)(ii):
 - (a) if the non-frozen dairy analogue is an analogue of cheese, the analogue must contain no less than 15% m/m protein derived from legumes and less than 320 mg/100 g calcium;
 - (b) if the non-frozen dairy analogue is an analogue of yoghurt or a dairy dessert, the analogue must contain no less than 3.1% m/m protein derived from legumes.
- (6) A Category 3 food is a food that is any of the following:
 - (a) an edible oil;
 - (b) an edible oil spread;
 - (c) fat.

Note 1 Edible oil as defined in Standard 2.4.1 of the Code.

Note 2 Edible oil spreads as defined in Standard 2.4.2 of the Code.
- (7) A Category 3D food is a food that:
 - (a) contains not less than 75% in total of any one or a combination of the following:
 - (i) cheese or processed cheese or a mixture of both;
 - (ii) an analogue of cheese that is derived from legumes and that contains no less than 15% m/m protein derived from legumes; and
 - (b) has a calcium content of no less than 320 mg/100 g.
- (8) For the purposes of this section, a food that consists of a mixture of different foods all within the same health star rating food category is a food within that health star rating food category.

S30—8

Steps in determining a health star rating

- (1) The use of any of the following in determining a health star rating is optional:
 - (a) fruit, vegetable, nut and legume points (V points);
 - (b) protein points (P points);
 - (c) dietary fibre points (F points).
- (2) For a food other than cheese and crackers, a health star rating is determined by:
 - (a) calculating baseline points in accordance with section S30—10;
 - (b) if used—calculating V points in accordance with section S30—11;
 - (c) if used—calculating P points in accordance with section S30—12;
 - (d) if used—calculating F points in accordance with section S30—13;
 - (e) calculating the HSR points in accordance with section S30—14; and
 - (f) converting the HSR points to a health star rating in accordance with section S30—15.
- (3) For cheese and crackers, a health star rating is determined by:
 - (a) calculating baseline points, V points (if used), P points (if used) and F points (if used) in accordance with subsection S30—9(5);
 - (b) calculating the HSR points in accordance with section S30—14; and
 - (c) converting the HSR points to a health star rating in accordance with section S30—16.

S30—9

Steps in determining HSR points

- (1) For a Category 1 food, calculate the food's:
 - (a) baseline points in accordance with section S30—10; then
 - (b) if used—fruit, vegetable, nut and legume points in accordance with section

- S30—11 (V points); then
- (c) HSR points in accordance with section S30—14.
- (2) For a Category 1D food, calculate the food's:
- (a) baseline points in accordance with section S30—10; then
- (b) if used—protein points in accordance with section S30—12 (P points); then
- (c) HSR points in accordance with section S30—14.
- (3) For a Category 2 food or a Category 3 food, calculate the food's:
- (a) baseline points in accordance with section S30—10; then
- (b) if used—fruit, vegetable, nut and legume points in accordance with section S30—11 (V points); then
- (c) if used—protein points in accordance with section S30—12 (P points); then
- (d) if used—dietary fibre points in accordance with section S30—13 (F points); then
- (e) HSR points in accordance with section S30—14.
- (4) For a Category 2D food or a Category 3D food, calculate the food's:
- (a) baseline points in accordance with section S30—10; then
- (b) if used—protein points in accordance with section S30—12 (P points); then
- (c) if used—dietary fibre points in accordance with section S30—13 (F points); then
- (d) HSR points in accordance with section S30—14.
- (5) For cheese and crackers:
- (a) for the cheese component, calculate the following for that component as a Category 3D food:
- (i) baseline points in accordance with section S30—11; then
- (ii) if used—protein points in accordance with section S30—12 (P points); then
- (iii) if used—dietary fibre points in accordance with section S30—13 (F points); then
- (iv) HSR points in accordance with section S30—14; then
- (b) for the crackers component, calculate the following for that component as a Category 2 food:
- (i) baseline points in accordance with section S30—10; then
- (ii) if used—fruit, vegetable, nut and legume points in accordance with section S30—11 (V points); then
- (iii) if used—protein points in accordance with section S30—12 (P points); then
- (iv) if used—dietary fibre points in accordance with section S30—13 (F points); then
- (v) HSR points in accordance with section S30—14.

Note The health star rating for cheese and crackers is calculated in accordance with section S30—16

S30—10

Baseline Points

- (1) For Category 1 foods—calculate the baseline points using the following equation:

$$T = AEC + ATS$$

where:

T is the total baseline points.

AEC is the number of points for the *average energy content in the *unit quantity of the food in Table 1.

ATS is the number of points for the average quantity of *sugars in the unit quantity

of the food in Table 1.

- (2) For Category 1D foods, Category 2 foods, Category 2D foods, Category 3 foods and Category 3D foods—calculate the baseline points using the following equation:

$$T = AEC + ASFA + ATS + AS$$

where:

T is the total baseline points.

AEC is the number of points for the *average energy content in the *unit quantity of the food:

- (a) for Category 1D, Category 2 and Category 2D foods—in Table 2; and
- (b) for Category 3 and Category 3D foods—in Table 3.

ASFA is the number of points for the average quantity of *saturated fatty acids in the unit quantity of the food:

- (a) for Category 1D, Category 2 and Category 2D foods—in Table 2; and
- (b) for Category 3 and Category 3D foods—in Table 3.

ATS is the number of points for the average quantity of sugars in the unit quantity of the food:

- (a) for Category 1D, Category 2 and Category 2D foods—in Table 2; and
- (b) for Category 3 and Category 3D foods—in Table 3.

AS is the number of points for the average quantity of sodium in the unit quantity of the food:

- (a) for Category 1D, Category 2 and Category 2D foods—in Table 2; and
- (b) for Category 3 and Category 3D foods—in Table 3.

Table 1: HSR baseline points for Category 1 foods

Baseline points	Average energy content (kJ) per 100 mL or 100 g	Average sugars (g) per 100 mL or 100 g
0	-	≤ 0.1
1	≤31	> 0.1
2	> 31	>1.6
3	>61	>3.1
4	>91	>4.6
5	>121	>6.1
6	>151	>7.6
7	>181	>9.1
8	>211	>10.6
9	>241	>12.1
10	>271	>13.6

Example A Category 1 food that contains >151 kJ per 100 mL and >3.1g total sugars per 100 mL scores 9 baseline HSR points (6+3=9).

Table 2: HSR baseline points for Category 1D, 2 and 2D foods

Baseline Points	Average energy content (kJ) per 100 g or 100 mL	Average saturated fatty acids (g) per 100 g or 100 mL	Average sugars (g) per 100 g or 100 mL	Average sodium (mg) per 100 g or 100 mL
0	≤335	≤1.0	≤5.0	≤90
1	>335	>1.0	>5.0	>90
2	>670	>2.0	>8.9	>180
3	>1005	>3.0	>12.8	>270
4	>1340	>4.0	>16.8	>360
5	>1675	>5.0	>20.7	>450
6	>2010	>6.0	>24.6	>540
7	>2345	>7.0	>28.5	>630
8	>2680	>8.0	>32.4	>720
9	>3015	>9.0	>36.3	>810
10	>3350	>10.0	>40.3	>900
11	>3685	>11.2	>44.2	>990
12		>12.5	>48.1	>1080
13		>13.9	>52.0	>1170
14		>15.5	>55.9	>1260
15		>17.3	>59.8	>1350
16		>19.3	>63.8	>1440
17		>21.6	>67.7	>1530
18		>24.1	>71.6	>1620
19		>26.9	>75.5	>1710
20		>30.0	>79.4	>1800
21		>33.5	>83.3	>1890
22		>37.4	>87.3	>1980
23		>41.7	>91.2	>2070
24		>46.6	>95.1	>2160
25		>52.0	>99.0	>2250
26		>58.0		>2340
27		>64.7		>2430
28		>72.3		>2520
29		>80.6		>2610
30		>90		>2700

Table 3: HSR baseline points for Category 3 and 3D foods

Baseline Points	Average energy content (kJ) per 100 g or 100 mL	Average saturated fatty acids (g) per 100 g or 100 mL	Average sugars (g) per 100 g or 100 mL	Average sodium (mg) per 100 g or 100 mL
0	≤335	≤1.0	≤5.0	≤90
1	>335	>1.0	>5.0	>90
2	>670	>2.0	>9.0	>180
3	>1005	>3.0	>13.5	>270
4	>1340	>4.0	>18.0	>360
5	>1675	>5.0	>22.5	>450
6	>2010	>6.0	>27.0	>540
7	>2345	>7.0	>31.0	>630
8	>2680	>8.0	>36.0	>720
9	>3015	>9.0	>40.0	>810
10	>3350	>10.0	>45.0	>900
11	>3685	>11.0		>990
12		>12.0		>1080
13		>13.0		>1170
14		>14.0		>1260
15		>15.0		>1350
16		>16.0		>1440
17		>17.0		>1530
18		>18.0		>1620
19		>19.0		>1710
20		>20.0		>1800
21		>21.0		>1890
22		>22.0		>1980
23		>23.0		>2070
24		>24.0		>2160
25		>25.0		>2250
26		>26.0		>2340
27		>27.0		>2430
28		>28.0		>2520
29		>29.0		>2610
30		>30.0		>2700

S30—11

Fruit and vegetable points (V points)

- (1) V points can be determined for fruits, vegetables, nuts and legumes including coconut, spices, herbs, fungi, seeds and algae (*fvnl*) including:
 - (a) *fvnl* that are fresh, cooked, frozen, canned, pickled or preserved; and
 - (b) *fvnl* that have been peeled, diced or cut (or otherwise reduced in size), puréed or dried; and
 - (c) fruit juice or vegetable juice as standardised in Standard 2.6.1 including

- concentrated juices and purées; and
- (d) coconut flesh (which is to be scored as a nut), whether juiced, dried or desiccated, but not processed; and
 - (e) the water in the centre of the coconut.
- (2) V points cannot be determined for any of the following:
- (a) a constituent, extract or isolate of a food mentioned in subsection (1);
 - (b) cereal grains mentioned as a class of food in Schedule 22 other than sweet corns;
 - (c) processed coconut products such as coconut milk, coconut cream or coconut oil.
- Note** An example of a constituent, extract or isolate under paragraph (2)(a) is peanut oil derived from peanuts. In this example, peanut oil would not be able to score V points. Other examples of extracts or isolates are fruit pectin and de-ionised juice.
- (3) If the food requires draining before consumption, the percentage of fvnl in the food may be calculated as a proportion of the drained food.
 - (4) For Category 1 foods, use table 4 to determine the V points.
 - (5) For Category 2 foods and Category 3 foods, use table 5 to determine the V points.

Table 4—V Points for Category 1 foods

<i>Points</i>	<i>FVNL content (%)</i>
0	<25
1	≥25
2	≥33
3	≥41
4	≥49
5	≥57
6	≥65
7	≥73
8	≥81
9	≥89
10	≥96

Table 5—V Points for Category 2 foods and Category 3 foods

<i>Points</i>	<i>FVNL content (%)</i>
0	≤40
1	>40
2	>60
3	>67
4	>75
5	>80
6	>90
7	>95
8	=100

S30—12 Protein points (P points)

- (1) Use Table 6 to determine the P points, depending on the *average quantity of protein in a *unit quantity of the food.
- (2) Foods that score ≥ 13 baseline points are not permitted to score P points unless they score five or more V points.

Table 6—P Points

<i>Points</i>	<i>Protein (g) per 100 g or 100 mL</i>
0	≤ 1.6
1	> 1.6
2	≥ 3.2
3	> 4.8
4	> 6.4
5	> 8.0
6	> 9.6
7	> 11.6
8	> 13.9
9	> 16.7
10	> 20.0
11	> 24.0
12	> 28.9
13	> 34.7
14	> 41.6
15	> 50.0

S30—13 Fibre points (F points)

- (1) Use Table 7 to determine the F points, depending on the *average quantity of *dietary fibre in a *unit quantity of the food.
- (2) The prescribed method of analysis to determine total *dietary fibre is outlined in section S11—4.

Table 7—F points

<i>Points</i>	<i>Dietary fibre (g) per 100 g or 100 mL</i>
0	≤ 0.9
1	> 0.9
2	> 1.9
3	> 2.8
4	> 3.7
5	> 4.7
6	> 5.4
7	> 6.3
8	> 7.3
9	> 8.4
10	> 9.7

<i>Points</i>	<i>Dietary fibre (g) per 100 g or 100 mL</i>
11	>11.2
12	>13.0
13	>15.0
14	>17.3
15	>20.0

S30—14 Calculating the HSR points

Calculate the HSR points using the equation:

$$T = BP - VP - PP - FP$$

where:

T is the HSR points.

BP is the number of baseline points.

VP is the number of V points.

PP is the number of P points.

FP is the number of F points.

S30—15 Converting HSR points to a health star rating

Convert the HSR points to a health star rating in accordance with table 8, rounding the result to the nearest 0.5.

Table 8 HSR points by Category, with final health star rating

<i>Health Star Rating</i>	<i>Cat 1</i>	<i>Cat 1D</i>	<i>Cat 2</i>	<i>Cat 2D</i>	<i>Cat 3</i>	<i>Cat 3D</i>
5	-	≤-2	≤-11	≤-2	≤13	≤24
4.5	-	-1	-10 – -7	-1 – 0	14 – 16	25 – 26
4	≤0	0	-6 – -2	1 – 2	17 – 20	27 – 28
3.5	1	1	-1 – 2	3	21 – 23	29 – 30
3	2 – 3	2	3 – 6	4 – 5	24 – 27	31
2.5	4 – 5	3	7 – 11	6 – 7	28 – 30	32 – 33
2	6 – 7	4	12 – 15	8	31 – 34	34 – 35
1.5	8 – 9	5	16 – 20	9 – 10	35 – 37	36 – 37
1	10 – 11	6	21 – 24	11 – 12	38 – 41	38 – 39
0.5	≥12	≥7	≥25	≥13	≥42	≥40

S30—16**Cheese and crackers – calculating the health star rating**

- (1) Calculate the health star rating using the equation:

$$R = (Ch \times \%C) + (Cr \times \%P)$$

where:

R is the health star rating for the cheese and crackers.

Ch is the health star rating for the cheese component.

Cr is the health star rating for the cracker component.

%C is the proportion of cheese in the cheese and crackers, expressed as a percentage.

%P is the proportion of crackers in the cheese and crackers, expressed as a percentage.

- (2) For the purposes of subsection (1), **R** must be rounded to the nearest 0.5.

Schedule 31 – Prescribed form of a Health Star Rating Symbol

The Board of Food Standards Australia New Zealand gives notice of the making of this Standard under section 92 of the *Food Standards Australia New Zealand Act 1991*. The Standard commences on the date of gazettal.

Dated [To be completed by the Delegate]

[Name of Delegate]

Delegate of the Board of Food Standards Australia New Zealand

Note:

This Standard will be published in the Commonwealth of Australia Gazette No. FSC XX on XX Month 20XX. This means that this date is the gazettal date for the purposes of the above notice.

Schedule 31

Prescribed form of a Health Star Rating Symbol

Note 1 This instrument is a standard under the *Food Standards Australia New Zealand Act 1991* (Cth). The standards together make up the *Australia New Zealand Food Standards Code*. See also section 1.1.1—3.

Health Star Rating requirements are regulated by Standard 1.2.13. This Standard prescribes the form of the requisite Health Star Rating Symbols for the purposes of Standard 1.2.13.

Note 2 The provisions of the Code that apply in New Zealand are incorporated in, or adopted under, the *Food Act 2014* (NZ). See also section 1.1.1—3.

S31—1 Name

This Standard is *Australia New Zealand Food Standards Code – Schedule 31 – Prescribed form of a Health Star Rating Symbol*.

Note Commencement:

This Standard commences on the date of gazettal, being the date specified as the commencement date in notices in the *Gazette* and the *New Zealand Gazette* under section 92 of the *Food Standards Australia New Zealand Act 1991* (Cth). See also section 93 of that Act.

S31—2 Prescribed form

The prescribed form of the Health Star Rating Symbol for a food with:

(a) a health star rating of '0.5' is:



(b) a health star rating of '1' is:



(c) a health star rating of '1.5' is:



(d) a health star rating of '2' is:



(e) a health star rating of '2.5' is:



(f) a health star rating of '3' is:



(g) a health star rating of '3.5' is:



(h) a health star rating of '4' is:



(i) a health star rating of '4.5' is:



(j) a health star rating of '5' is:



Food Standards (Proposal P1067 – Health Star Rating – Consequential Amendments) Variation

The Board of Food Standards Australia New Zealand gives notice of the making of this variation under section 92 of the *Food Standards Australia New Zealand Act 1991*. The variation commences on the date specified in clause 3 of this variation.

Dated [To be completed by the Delegate]

[Name of Delegate]

Delegate of the Board of Food Standards Australia New Zealand

Note:

This Standard will be published in the Commonwealth of Australia Gazette No. FSC XX on XX Month 20XX. This means that this date is the gazettal date for the purposes of the above notice.

1 Name

This instrument is the *Food Standards (Proposal P1067— Health Star Rating – Consequential Amendments) Variation*.

2 Variation to Standards in the *Australia New Zealand Food Standards Code*

The Schedule varies Standards in the *Australia New Zealand Food Standards Code*.

3 Commencement

The Variation commences immediately after all of the following Standards have commenced:

- (a) Standard 1.2.13;
- (b) Schedule 30;
- (c) Schedule 31.

SCHEDULE

Standard 1.1.1—Structure of the Code and general provisions

[1] Subsection 1.1.1—2(2)

Omit:

Standard 1.2.10 Information requirements – characterising ingredients and components of food

substitute:

Standard 1.2.10 Information requirements – characterising ingredients and components of food

Standard 1.2.13 Health Star Rating

[2] Subsection 1.1.1—2(2)

Omit:

Schedule 29 Special purpose foods

substitute:

Schedule 29 Special purpose foods

Schedule 30 Determination of Health Star Rating

Schedule 31 Prescribed form of a Health Star Rating Symbol

Standard 1.1.2—Definitions used throughout the Code

[3] Subsection 1.1.2—2(3) (definition of *sugars*, paragraph (a))

Omit:

in Standard 1.2.7, Standard 1.2.8 and Schedule 4—

substitute:

in Standard 1.2.7, Standard 1.2.8, Standard 1.2.13, Schedule 4 and Schedule 30—

[4] Subsection 1.1.2—3(2) (definition of *milk*)

Omit:

milk means:

substitute:

milk means, unless otherwise expressly stated:

[5] Section 1.1.2—15

Repeal the section.

Standard 1.2.1—Requirements to have labels or otherwise provide information

[6] After Note 2 to subsection 1.2.1—6(1)

Insert:

Note 3 See Standard 1.2.13 for the requirements relating to a Health Star Rating Symbol

[7] After Note 2 to subsection 1.2.1—6(2)

Insert:

Note 3 See Standard 1.2.13 for the requirements relating to a Health Star Rating Symbol.

Standard 1.2.7—Nutrition, health and related claims

[8] Section 1.2.7—6

Omit:

- (c) a declaration that is required by an application Act; or
- (d) a permitted Health Star Rating symbol.

substitute:

- (c) a declaration that is required by an application Act.

Standard 1.2.8—Nutrition information requirements

[9] Section 1.2.8—3

Omit 'or a Permitted Health Star Rating symbol'.

[10] After subsection 1.2.8—6(6)

Insert:

Declaration of dietary fibre used to calculate a health star rating

- (6A) If the label of the food displays a Health Star Rating Symbol and *dietary fibre was used to determine the health star rating for the food, a nutrition information panel must include a declaration of the presence of dietary fibre in accordance with section S12—3.

Schedule 11—Calculation of values for nutrition information panel

[11] Note 1 to the Heading of the Schedule

Omit:

- sets out how to determine dietary fibre for subsection 1.2.8—7(7) and subsection S5—6(2); and

substitute:

- sets out how to determine dietary fibre for subsection 1.2.8—7(7), subsection S5—6(2) and subsection S30—13(2); and

[12] Subsection S11—4(1)

Omit:

subsection 1.2.8—7(7) and section S5—6(2).

substitute:

subsection 1.2.8—7(7), section S5—6(2) and subsection S30—13(2).

Schedule 12—Nutrition information panels

[13] Section S12—3

Omit:

S12—3 Format for nutrition information panels—subsection 1.2.8—6(3) and 1.2.8—6(5)

For subsection 1.2.8—6(3), 1.2.8—6(5), 1.2.8—6(11), 1.2.8—6(12) and 1.2.8—6(13), the format for a nutrition information panel is:

substitute:

S12—3 Format for nutrition information panels—subsections other than subsection 1.2.8—6(2)

For subsections 1.2.8—6(3), 1.2.8—6(5), 1.2.8—6(6A), 1.2.8—6(11), 1.2.8—6(12) and 1.2.8—6(13), the format for a nutrition information panel is:

Attachment B – Draft Explanatory Statements

DRAFT EXPLANATORY STATEMENT

Food Standards Australia New Zealand Act 1991

Standard 1.2.13 - Health Star Rating

1. Authority

Section 13 of the *Food Standards Australia New Zealand Act 1991* (the FSANZ Act) provides that the functions of Food Standards Australia New Zealand (the Authority) include the development of standards and variations of standards for inclusion in the *Australia New Zealand Food Standards Code* (the Code).

Division 2 of Part 3 of the FSANZ Act specifies that the Authority may prepare a proposal for the development or variation of food regulatory measures, including standards. This Division also stipulates the procedure for considering a proposal for the development or variation of food regulatory measures.

The Authority prepared Proposal P1067 to consider amending the Code to require foods for sale in Australia and New Zealand to display a Health Star Rating (HSR) Symbol. The Authority considered the Proposal in accordance with Division 2 of Part 3 and has prepared several draft measures including *Standard 1.2.13 - Health Star Rating* (the draft standard).

2. Standard will be a legislative instrument

If approved, the draft standard would be a legislative instrument for the purposes of the *Legislation Act 2003* (see section 94 of the FSANZ Act) and be publicly available on the Federal Register of Legislation (www.legislation.gov.au).

If approved, this instrument would not be subject to the disallowance or sunset provisions of the *Legislation Act 2003*. Subsections 44(1) and 54(1) of that Act provide that a legislative instrument is not disallowable or subject to sunset if the enabling legislation for the instrument (in this case, the FSANZ Act):

- (a) facilitates the establishment or operation of an intergovernmental scheme involving the Commonwealth and one or more States; and
- (b) authorises the instrument to be made for the purposes of the scheme.

Regulation 11 of the *Legislation (Exemptions and other Matters) Regulation 2015* also exempts from sunset legislative instruments a primary purpose of which is to give effect to an international obligation of Australia.

The FSANZ Act gives effect to an intergovernmental agreement (the Food Regulation Agreement) and facilitates the establishment or operation of an intergovernmental scheme (national uniform food regulation). That Act also gives effect to Australia's obligations under an international agreement between Australia and New Zealand. For these purposes, the Act establishes the Authority to develop food standards for consideration and endorsement by the Food Ministers' Meeting (FMM). The FMM is established under the Food Regulation Agreement and the international agreement between Australia and New Zealand, and consists of New Zealand, Commonwealth and State/Territory members. If endorsed by the FMM, the food standards on gazettal and registration, are incorporated into and become part of Commonwealth, State and Territory and New Zealand food laws. These standards or instruments are then administered, applied and enforced by these jurisdictions' regulators as part of those food laws.

3. Purpose

The Authority has prepared the draft standard to set out prohibitions, requirements and permissions related to the use of the HSR Symbol for various foods for sale. This includes prescribing the food for which display of a HSR Symbol is mandatory, optional or prohibited; the form of the HSR Symbol, and where the HSR Symbol must appear.

4. Documents incorporated by reference

The draft standard does not incorporate any documents by reference.

5. Consultation

In accordance with the procedure in Division 2 of Part 3 of the FSANZ Act, the Authority's consideration of Proposal P1067 will include two rounds of public comment following an assessment and the preparation of three draft standards and one draft variation, and associated assessment summaries.

The first call for submissions was held between 7 May and 5 July 2026.

The second call for submissions includes the draft measures and their associated assessment summaries and will be open for an eight-week period. Further details of the consultation process, the issues raised during consultation and by whom, and the Authority's response to these issues are available in an approval report published on the Authority's website at www.foodstandards.gov.au.

A Consultation Regulation Impact Statement has been assessed by the Office of Impact Analysis as compliant for consultation purposes (OIA26-12071).

6. Statement of compatibility with human rights

If approved, the instrument would be exempt from the requirements for a statement of compatibility with human rights as it would be a non-disallowable instrument under section 44 of the *Legislation Act 2003*.

7. Draft Standard

The draft standard would be a new standard that would be incorporated into the Code. The draft standard would be introduced by two notes providing information about the place of the draft standard within the Code and the application of the draft standard in New Zealand. Note 1 explains that the instrument would be a standard under the FSANZ Act, and that the Standard and the other standards together make up the Code.

Note 2 explains that the provisions of the Code applying in New Zealand would be incorporated in, or adopted under, the *Food Act 2014* (NZ). This Note also refers to section 1.1.1—3 of the Code. Subsection 1.1.1—3(1) provides that unless the Code provides otherwise, the Code applies to food that is:

- (a) sold, processed or handled for sale in Australia or New Zealand; or
- (b) imported into Australia or New Zealand.

Division 1

This Division sets out the name of and definitions for the Standard and comprises of sections 1.2.13—1 and 1.2.13—2.

Section 1.2.13—1: This provision would establish the name of the draft standard. The note

explains that, if approved, the Standard would commence on the date of gazettal.

Section 1.2.13—2: This provision would set out definitions for the following key terms used in the Standard: *excluded food*, *food for retail sale*, *imported food*, *optional nutrition information panel* and *packaged water*.

‘Package’ is defined in subsection 1.1.2—2(3) of the Code.

The definition of *excluded food* identifies food for which a HSR Symbol is prohibited. It includes specified alcohol-related beverages and products, cocktail mixers represented for use with alcohol, kits for producing alcoholic beverages, specified special purpose foods, kava and specified food provided in certain institutional or delivered-meal settings.

Food for retail sale is defined to include food that is not food for retail sale if the food is suitable for retail sale without further processing, packaging or labelling. This is in addition to a food being for retail sale.

Imported food is defined as imported food for retail sale that is required under Standard 1.2.1 to bear a label with a nutrition information panel and that has been re-labelled in accordance with section 1.2.1—22 with a new label containing corrected information. The new label may correct information including but not limited to, the nutrition information panel, statement of ingredients, address or a combination of the former.

An optional nutrition information panel is defined as a nutrition information panel provided voluntarily that contains the information required for a mandatory nutrition information panel and is set out in a format specified in Schedule 12. The definition is used in the provisions that permit the voluntary display of a HSR Symbol for certain foods that are not otherwise required to provide a nutrition information panel.

Packaged water is defined to include packaged carbonated, mineral and spring water but excludes packaged ice.

‘Package’ and ‘bear a label’ are defined in subsection 1.1.2—2(3) of the Code.

Division 1A

This Division sets out transitional arrangements and comprises of section 1.2.13—2A. Section 1.2.13—2A: This provision would establish the transitional arrangements.

Subsection 1.2.13—2A(1) would provide that subsection 1.1.1—9(1) of the Code does not apply to this Standard. Subsection 1.1.1—9(1) is about effect of amendments made to the Code and provides a 12-month stock-in trade period in certain circumstances.

Subsection 1.2.13—2A(2) would provide for a 36-month transition period commencing on the date of the commencement of the draft standard. If approved, the effect of this provision would be that during the transition period, a food may be sold if the product complies with either the Code as in force without the P1067 variations; or the Code as amended by the P1067 draft variations. This would allow businesses to transition to the new HSR requirements during the transition period rather than requiring all affected food to comply with the new requirements from commencement.

Subsection 1.2.13—2A(3) would provide for a further 24-month post-transition period commencing on the day after the above transition period ends. If approved, the effect of this provision would be that during the post-transition period, food that is packaged and labelled before the end of the transition period may be sold during the post-transition period if the product complies with either the Code as in force without the P1067 variations; or the Code

as amended by the P1067 draft variations. This would allow existing stock to continue to be sold after the transition period has ended. The post-transition period operates as a stock-in-trade arrangement. It is intended to reduce food wastage and costs associated with relabelling food already in the food supply, particularly food with a long shelf life.

'Package' is defined in subsection 1.1.2—2(3) of the Code.

Subsection 1.2.13—2A(4) defines the following terms: 'P1067 variations', 'transition period' and 'post-transition period'. In particular, P1067 variations' means all four of the draft measures prepared by the Authority as part of Proposal P1067.

The purpose of section 1.2.13—2A is to provide an orderly transition from the voluntary HSR system to the new Code requirements, while allowing food that was packaged and labelled before the end of the transition period to continue to be sold for a limited period.

Division 2

This Division sets out when HSR Symbols are prohibited and comprises of sections 1.2.13—3 and 1.2.13—4.

Section 1.2.13—3 would prohibit the following unless the Code requires or expressly permits that use:

- a HSR Symbol being displayed on the label of a food for sale; or
- a HSR Symbol being displayed or provided in connection with a food for sale.

The purpose of this section is to protect the integrity and consistency of the HSR system by ensuring that a HSR Symbol is used only where its display or provision is specifically required or permitted by the Code.

Section 1.2.13—4 would prohibit a HSR Symbol for excluded food, despite any other permission in the Standard.

The purpose of section 4 is to ensure that excluded food cannot display or provide a HSR Symbol, including where another provision might otherwise appear to permit its use.

Division 3

This Division sets out requirements for mandatory and optional HSR Symbols in relation to food for retail sale; and comprises of sections 1.2.13—5 to 1.2.13—11.

Section 1.2.13—5 would provide that Division 3 applies to *food for retail sale* (as defined in section 1.2.13—2).

The purpose of this section is to define the scope of Division 3 by confining its mandatory display requirements to food for retail sale where food for retail sale includes food that is not food for retail sale if the food is suitable for retail sale without further processing, packaging or labelling.

Section 1.2.13—6 would provide that the following food must display a HSR Symbol on the label of the food:

- food required to bear a label with a nutrition information panel;
- packaged water.

'Package' and 'bear a label' are defined in subsection 1.1.2—2(3) of the Code.

The purpose of this section is to establish the core mandatory display obligation for foods with sufficient nutrition information to support a HSR and to ensure that qualifying packaged water displays its automatic HSR of 5 despite not being required to bear a nutrition information panel.

Section 1.2.13—7 would set out when a HSR Symbol may be voluntarily displayed on packaged food that would be required to bear a label but would not be required to have a nutrition information panel.

Subsection 1.2.13—7(1) would provide that the section would apply only if the food is required to bear a label under section 1.2.1—6, is listed in subsection 1.2.8—5(2), and is not the subject of a claim requiring nutrition information. This provision also excludes packaged water and food to which section 1.2.13—10 would apply (see below).

Subsection 1.2.13—7(2) would permit a HSR Symbol to be displayed on the label if a nutrition information panel is also included on that label.

‘Package’ and ‘bear a label’ are defined in subsection 1.1.2—2(3) of the Code.

The purpose of section 7 is to allow specified packaged foods that are required to bear a label under section 1.2.1—6 but are not required to include a nutrition information panel to participate voluntarily in the HSR system, while ensuring that the nutrition information supporting the HSR is provided on the label.

Section 1.2.13—8 would apply to specified food that is not required to bear a label, and for which nutrition information is not otherwise required to be displayed or provided.

The term ‘bear a label’ is defined in subsection 1.1.2—2(3) of the Code. Section 1.2.1—6 sets out when a packaged food for sale does not have to bear a label.

Subsection 1.2.13—8(1) would provide that this provision applies if the food is not any of the following:

- a food required to bear a label because of section 1.2.1—6;
- a food to which section 1.2.13—9 applies;
- a food to which section 1.2.13—10 applies (that is, fruit, vegetables, legumes, fungi and herbs that satisfy the requirements for an automatic health star rating of 5).

Subsection 1.2.13—8(2) would permit a HSR Symbol to be displayed on the label of a food if an optional nutrition information panel is included on the label of the food.

Subsection 1.2.13—8(3) would permit the HSR Symbol to be displayed in connection with the display of the food if an optional nutrition information panel is included on the label or displayed in connection with the display of the food.

The purpose of this section is to allow specified foods that are not required to bear a label and for which nutrition information is not otherwise required to be displayed or provided to participate voluntarily in the HSR system, while ensuring that an optional nutrition information panel is available to support and contextualise the displayed HSR.

Section 1.2.13—9 would provide for when and where a HSR Symbol may be displayed for foods that are not required to bear a label but for which nutrition information must be displayed or provided.

Subsection 1.2.13—9(1) would specify that this section would apply if:

- the food is not a food required to bear a label because of section 1.2.1—6 of the Code; and
- in accordance with subsection 1.2.1—9(6) of the Code, the information required for a nutrition information panel must be:
 - displayed in connection with the display of the food; or
 - provided to the purchaser on request.

The term 'bear a label' is defined in subsection 1.1.2—2(3) of the Code.

Section 1.2.1—6 sets out when a packaged food for sale does not have to bear a label.

Subsection 1.2.1—9(6) sets out when certain information must either be:

- displayed in connection with the display of the food; or
- provided to the purchaser on request.

Such information includes the information required for a nutrition information panel if a claim requiring nutrition information is made.

The term 'claim requiring nutrition information' is defined in subsection 1.1.2—2(3) of the Code.

Subsection 1.2.13—9(2) would provide that a HSR Symbol may be displayed on the label of the food if an optional nutrition information panel is included on the label of the food.

Subsection 1.2.13—9(3) would provide that a HSR Symbol may be displayed in connection with the display of the food if an optional nutrition information panel is either:

- included on the label of the food; or
- displayed in connection with the display of the food.

The purpose of this section is to accommodate foods for which nutrition information is required to be displayed or provided other than through the ordinary packaged-food labelling requirements, while ensuring that, where a HSR Symbol is voluntarily displayed, the nutrition information supporting the HSR is also presented on the label or, where permitted by subsection 1.2.13—9(3), displayed in connection with the display of the food.

Section 1.2.13—10 provides for the voluntary display of a HSR Symbol for fruit, vegetables, legumes, fungi and herbs that receive an automatic 5 HSR.

Subsection 1.2.13—10(1) would specify when this section applies i.e. if the food:

- scores a health star rating of 5 in accordance with section S30—5; and
- is not a food to which section 1.2.13—6 applies.

Section S30—5 would set out what food may have a HSR of 5.

Subsection 1.2.13—10(2) would provide that for the foods specified in subsection (1), a HSR Symbol may be displayed voluntarily either on the label of the food or in connection with the display of the food.

Unlike sections 1.2.13—7 to 1.2.13—9, section 1.2.13—10 does not make the optional display of the HSR Symbol conditional on the provision of a nutrition information panel. Consequently, a HSR Symbol would be able to be displayed on the label of or in connection

with the display of the specified fruit, vegetables, legumes, fungi and herbs without a nutrition information panel also being displayed on the label of or in connection with the display of the food.

The purpose of section 1.2.13—10 is to facilitate voluntary HSR display for eligible fruit, vegetables, legumes, fungi and herbs that receive an automatic HSR of 5, without requiring a nutrition information panel that is unnecessary to calculate that rating.

Section 1.2.13—11 would provide for the voluntary display of a HSR Symbol for food sold in a hamper.

'Hamper' is defined in subsection 1.1.2—2(3) of the Code.

Subsection 1.2.13—11(1) would specify that this section applies if the food is sold in a hamper.

Subsection 1.2.13—11(2) would provide that a HSR Symbol may be displayed on or in connection with a food in the hamper provided that a nutrition information panel is also displayed on or in connection with that food. That permission would apply separately to each food in the hamper. Accordingly, the HSR Symbol may be displayed on or in connection with an individual food that meets the requirements of subsection (2), without requiring a HSR Symbol to be displayed in relation to every other food in the hamper.

The purpose of section 1.2.13—11 is to preserve the voluntary display of a HSR Symbol for individual foods sold in a hamper without treating the hamper as a single food or requiring every food in the hamper to display a HSR Symbol.

Division 4

This Division sets out permissions for the use of optional HSR Symbols in relation to certain sales of food (other than retail sale), and comprises of sections 1.2.13—12 and 1.2.13—13.

Section 1.2.13—12 would set out how a HSR Symbol may be displayed or provided in relation to a food sold to a caterer.

'Caterer' is defined in subsection 1.1.2—2(3) of the Code.

Subsection 1.2.13—12(1) would provide that, for such food, a HSR Symbol may be displayed in relation to the food provided that the HSR Symbol is:

- displayed on the label of the food; or
- provided in documentation.

Subsection 1.2.13—12(2) would provide that, where the HSR Symbol is displayed on the label of the food, it may appear anywhere on the label of the package of the food.

The form of the documentation would not be prescribed. In other words, the documentation would be permitted to be in physical, digital or other form.

The purpose of section 1.2.13—12 is to allow HSR information to be communicated in a manner suited to supply to caterers, where information may accompany the food in documentation rather than appear in the front-of-pack position used for retail sale.

Section 1.2.13—13 would provide for the voluntary display or provision of an HSR Symbol in relation to certain other food for sale.

Subsection 1.2.13—13(1) would provide that this section applies to food for sale other than food for retail sale or food sold to a caterer.

‘Caterer’ is defined in subsection 1.1.2—2(3) of the Code.

Subsection 1.2.13—13(2) would provide that a HSR Symbol may either be:

- displayed on the label of the food; or
- provided in documentation.

The form of the documentation would not be prescribed. In other words, the documentation may be in physical, digital or other form.

Subsection 1.2.13—13(3) would provide that if the HSR Symbol is displayed on the label of the food, it would be able to appear anywhere on that label. In other words, there is no requirement for the HSR Symbol to be displayed on the front-of-pack.

The purpose of section 13 is to permit the HSR Symbol to be provided in business-to-business and other non-retail transactions, while recognising that the retail front-of-pack placement requirements are not appropriate in that context.

Division 5

This Division sets out requirements for the form of HSR Symbols and comprises of sections 1.2.13—14 to 1.2.13—16.

Section 1.2.13—14 would provide that Division 5 applies to a HSR Symbol that is required or permitted by this Standard to be displayed in relation to a food for sale.

Section 1.2.13—15 would set out requirements for the form of the HSR Symbol.

Subsection 1.2.13—15(1) would require that the HSR Symbol displayed must be in the form of the HSR Symbol that:

- is listed in Column 1 of the table to subsection (2); and
- corresponds to the HSR stated in Column 2 of that table for the food to which the HSR Symbol relates.

Each HSR Symbol listed in Column 1 of this table is prescribed by Schedule 31.

Subsection 1.2.13—15(2) would set out a table listing the HSR Symbol and its corresponding HSR.

The purpose of section 15 is to ensure that any displayed HSR Symbol accurately corresponds to the food’s HSR and uses the standardised visual form prescribed by Schedule 31.

Section 1.2.13—16 deals with additional information required for food required to be drained or reconstituted.

Subsection 1.2.13—16(1) would provide that this section applies if the labelling of the food for sale to which the HSR Symbol relates contains directions indicating that the food should be:

- reconstituted with water before consumption; or
- drained before consumption.

Subsection 1.2.13—16(2) would require the labelling of the food to explain that the HSR relates to the drained or reconstituted food (as the case may be).

Subsection 1.2.13—16(3) would require that explanation to be set out adjacent to the HSR Symbol.

The purpose of section 16 is to make clear that, in these circumstances, the displayed HSR Symbol relates to the food after it has been drained or reconstituted, thereby avoiding confusion about the form of the food to which the displayed HSR Symbol applies.

Division 6

This Division sets out requirements for where the HSR Symbol must appear on the label of a food for retail sale and comprises of sections 1.2.13—17 to 1.2.19.

Section 1.2.13—17 would provide that Division 6 applies to a HSR Symbol that is required or permitted by this Standard to be displayed on a label of a food for retail sale.

The purpose of section 1.2.13—17 is to define the scope of Division 6 by limiting its placement requirements to HSR Symbols that are required or permitted to be displayed on the label of food for retail sale.

Section 1.2.13—18 would set out where the HSR Symbol must be placed for food generally and permits an alternative for imported food.

Subsection 1.2.13—18(1) would require the HSR Symbol on the front of the package of the food. This requirement would be subject to subsection (2) and section 1.2.13—19 (see below).

Subsection 1.2.13—18(2) would permit an alternative placement for specified re-labelled imported food. As defined in section 1.2.13—2, imported food means, among other things, a food that has been re-labelled in accordance with section 1.2.1—22 with a new label. The HSR Symbol may appear on the new label instead of on the front of the package.

Subsection 1.2.13—18(3) would permit the HSR Symbol appearing on the front of the package of the food to also appear elsewhere on the label of the package, or on another layer of packaging of that food.

The alternative for imported food would not permit a separate label containing only the HSR Symbol to be placed elsewhere on the package of food. If the HSR Symbol is not included on the new label used to re-label the imported food, the general requirement in subsection (1) would apply and that HSR Symbol must appear on the front of the package.

The purpose of section 18 is to make the HSR Symbol readily visible to consumers on the front of the package, while providing a limited and practical alternative for specified imported food that has been re-labelled to correct required information.

Section 1.2.13—19 sets out requirements for multi-packs.

Subsection 1.2.13—19(1) would specify that this section would apply to a package of food that meets both of the following conditions—the package:

- contains more than one kind of food (individual food); and
- displays more than one nutrition information panel.

Subsection 1.2.13—19(2) would provide that if each individual food has the same HSR—a single HSR Symbol corresponding to that HSR must be displayed on the front of the package of the food, with the Symbol displayed in a manner indicating that it applies to each individual food.

Subsection 1.2.13—19(3) would provide that if each individual food does not have the same health star rating—either:

- a single HSR Symbol corresponding to the lowest HSR of the individual foods must be displayed on the front of the package of food, and a Symbol for each individual food must be displayed in connection with the nutrition information panel for that individual food; or
- a HSR Symbol for each individual food must be displayed on the front of the package of food, with each Symbol displayed in a manner that clearly identifies the individual food to which it relates.

Subsection 1.2.13—19(4) would provide that a HSR Symbol for an individual food may also appear on any package of the individual food.

The purpose of this section is to provide clear requirements for displaying HSR Symbols on packages that contain more than one kind of food and display more than one nutrition information panel, including where the individual foods have different HSRs, without preventing the HSR from also being displayed on an individual package.

DRAFT EXPLANATORY STATEMENT

Food Standards Australia New Zealand Act 1991

Schedule 30 – Determination of Health Star Rating

1. Authority

Section 13 of the *Food Standards Australia New Zealand Act 1991* (the FSANZ Act) provides that the functions of Food Standards Australia New Zealand (the Authority) include the development of standards and variations of standards for inclusion in the *Australia New Zealand Food Standards Code* (the Code).

Division 2 of Part 3 of the FSANZ Act specifies that the Authority may prepare a proposal for the development or variation of food regulatory measures, including standards. This Division also stipulates the procedure for considering a proposal for the development or variation of food regulatory measures.

The Authority prepared Proposal P1067 to consider amending the Code to require foods for sale in Australia and New Zealand to display a Health Star Rating (HSR) Symbol. The Authority considered the Proposal in accordance with Division 2 of Part 3 and has prepared several draft measures including *Schedule 30 – Determination of Health Star Rating* (the draft standard).

2. Standard will be a legislative instrument

If approved, the draft standard would be a legislative instrument for the purposes of the *Legislation Act 2003* (see section 94 of the FSANZ Act) and be publicly available on the Federal Register of Legislation (www.legislation.gov.au).

If approved, this instrument would not be subject to the disallowance or sunset provisions of the *Legislation Act 2003*. Subsections 44(1) and 54(1) of that Act provide that a legislative instrument is not disallowable or subject to sunset if the enabling legislation for the instrument (in this case, the FSANZ Act):

- (a) facilitates the establishment or operation of an intergovernmental scheme involving the Commonwealth and one or more States; and
- (b) authorises the instrument to be made for the purposes of the scheme.

Regulation 11 of the *Legislation (Exemptions and other Matters) Regulation 2015* also exempts from sunset legislative instruments a primary purpose of which is to give effect to an international obligation of Australia.

The FSANZ Act gives effect to an intergovernmental agreement (the Food Regulation Agreement) and facilitates the establishment or operation of an intergovernmental scheme (national uniform food regulation). That Act also gives effect to Australia's obligations under an international agreement between Australia and New Zealand. For these purposes, the Act establishes the Authority to develop food standards for consideration and endorsement by the Food Ministers' Meeting (FMM). The FMM is established under the Food Regulation Agreement and the international agreement between Australia and New Zealand, and consists of New Zealand, Commonwealth and State/Territory members. If endorsed by the FMM, the food standards on gazettal and registration, are incorporated into and become part of Commonwealth, State and Territory and New Zealand food laws. These standards or instruments are then administered, applied and enforced by these jurisdictions' regulators as part of those food laws.

3. Purpose

The Authority has prepared the draft standard to prescribe how the HSR of a food would be determined for the purposes of draft Standard 1.2.13.

4. Documents incorporated by reference

The draft standard does not incorporate any documents by reference.

5. Consultation

In accordance with the procedure in Division 2 of Part 3 of the FSANZ Act, the Authority's consideration of Proposal P1067 will include two rounds of public comment following an assessment and the preparation of three draft standards and one draft variation (the draft measures), and their associated assessment summaries.

The first call for submissions was held between 7 May and 5 July 2026. The second call for submissions includes the draft measures and their associated assessment summaries and will be open for an eight-week period. Further details of the consultation process, the issues raised during consultation and by whom, and the Authority's response to these issues are available in an approval report published on the Authority's website at www.foodstandards.gov.au.

A Consultation Regulation Impact Statement has been assessed by the Office of Impact Analysis as compliant for consultation purposes (OIA26-12071).

6. Statement of compatibility with human rights

If approved, the instrument would be exempt from the requirements for a statement of compatibility with human rights as it would be a non-disallowable instrument under section 44 of the *Legislation Act 2003*.

7. Draft standard

The draft standard would be a new standard that would be incorporated into the Code.

The draft standard would be introduced by two notes providing information about the place of the draft standard within the Code and its application in New Zealand.

Note 1 would explain that the instrument is a standard under the FSANZ Act, and that the draft standard and the other standards together make up the Code. This Note would also refer to section 1.1.1—3 of the Code.

Subsection 1.1.1—3(1) provides that unless the Code provides otherwise, the Code applies to food that is:

- (a) sold, processed or handled for sale in Australia or New Zealand; or
- (b) imported into Australia or New Zealand.

Note 1 would also explain that HSR requirements are regulated by draft Standard 1.2.13 and the draft standard prescribes how a HSR is determined for the purposes of Standard 1.2.13.

Note 2 would explain that the provisions of the Code applying in New Zealand are incorporated in, or adopted under, the *Food Act 2014* (NZ). This Note would also refer to section 1.1.1—3 of the Code (see above).

Summary of provisions

*[*** Further information about each provision of the draft standard will be provided in the Explanatory Statement accompanying the standard if approved]*

The draft standard would contain three Divisions.

Division 1 comprises sections 30—1 and 30—2, which would set out the name of, and definitions for, the draft standard.

Section S30—1 would set out the name of the draft standard. The note to this section would explain that the draft standard commences on the date of gazettal, being the date specified as the commencement date in notices in the Gazette and the New Zealand Gazette under section 92 of the *Food Standards Australia New Zealand Act 1991* (Cth).

Section S30—2 would set out definitions for key terms used in the draft standard. The note to the section would identify relevant terms that are defined in section 1.1.2—3 of the Code. Subsection (1) would define additional terms for the purposes of the draft standard only.

Division 2 comprises sections 30—3, 30—4 and 30—5, which would prescribe automatic health star ratings for specified foods that meet the conditions set out in this Division.

Section S30—3 would provide that packaged water (as defined in section S30—2) has a HSR of 5 if the specified conditions are met.

Section S30—4 would provide that an unsweetened water-based flavoured beverage has a HSR of 4.5 if the specified conditions are met.

Section S30—5 would provide that certain fresh and minimally processed fruit, vegetables, legumes, fungi and herbs have a HSR of 5 if the specified conditions are met.

Division 3 comprises sections S30—6 to S30—16, which would set out the methods for determining the health star rating of foods that do not have an automatic HSR under Division 2.

Section S30—6 would set out how to determine a HSR if the labelling of the food contains directions indicating that the food should be:

- reconstituted with water before consumption; or
- drained before consuming.

Section S30—7 would set out the foods that fall within each of the following categories:

- Category 1 food;
- Category 1D food;
- Category 2 food;
- Category 2D food;
- Category 3 food; and
- Category 3D food.

The section would also provide that a food that consists of a mixture of different foods all within the same HSR category is a food within that HSR category.

Section S30—8 would set out the steps in determining a HSR for foods other than cheese and crackers, and separately for cheese and crackers.

Section S30—9 would set out the steps for determining HSR points for each category of food in section S30—7, and for cheese and crackers.

Section S30—10 would set out how to calculate baseline points for each category of food in section S30—7 and would contain Tables 1, 2 and 3 for that purpose.

Section S30—11 would set out how to determine fruit and vegetable points (V points) for fruits, vegetables, nuts and legumes including coconut, spices, herbs, fungi, seeds and algae (fvnl) and would contain Tables 4 and 5 for that purpose.

Section S30—12 would set out how to determine protein points (P points) and would contain Table 6 for that purpose.

Section S30—13 would set out how to determine fibre points (F points) and would contain Table 7 for that purpose.

Section S30—14 would set out how to calculate HSR points.

Section S30—15 would set out how to convert HSR points to a HSR and would contain Table 8 for that purpose.

Section S30—16 would set out how to calculate a HSR for cheese and crackers.

DRAFT EXPLANATORY STATEMENT

Food Standards Australia New Zealand Act 1991

Schedule 31 – Prescribed form of a Health Star Rating Symbol

1. Authority

Section 13 of the *Food Standards Australia New Zealand Act 1991* (the FSANZ Act) provides that the functions of Food Standards Australia New Zealand (the Authority) include the development of standards and variations of standards for inclusion in the *Australia New Zealand Food Standards Code* (the Code).

Division 2 of Part 3 of the FSANZ Act specifies that the Authority may prepare a proposal for the development or variation of food regulatory measures, including standards. This Division also stipulates the procedure for considering a proposal for the development or variation of food regulatory measures.

The Authority prepared Proposal P1067 to consider amending the Code to require foods for sale in Australia and New Zealand to display a Health Star Rating (HSR) Symbol. The Authority considered the Proposal in accordance with Division 2 of Part 3 and has prepared several draft measures including *Schedule 31 – Prescribed form of a Health Star Rating Symbol* (the draft standard).

2. Standard will be a legislative instrument

If approved, the draft standard would be a legislative instrument for the purposes of the *Legislation Act 2003* (see section 94 of the FSANZ Act) and be publicly available on the Federal Register of Legislation (www.legislation.gov.au).

If approved, this instrument would not be subject to the disallowance or sunset provisions of the *Legislation Act 2003*. Subsections 44(1) and 54(1) of that Act provide that a legislative instrument is not disallowable or subject to sunset if the enabling legislation for the instrument (in this case, the FSANZ Act):

- (a) facilitates the establishment or operation of an intergovernmental scheme involving the Commonwealth and one or more States; and
- (b) authorises the instrument to be made for the purposes of the scheme.

Regulation 11 of the *Legislation (Exemptions and other Matters) Regulation 2015* also exempts from sunset legislative instruments a primary purpose of which is to give effect to an international obligation of Australia.

The FSANZ Act gives effect to an intergovernmental agreement (the Food Regulation Agreement) and facilitates the establishment or operation of an intergovernmental scheme (national uniform food regulation). That Act also gives effect to Australia's obligations under an international agreement between Australia and New Zealand. For these purposes, the Act establishes the Authority to develop food standards for consideration and endorsement by the Food Ministers' Meeting (FMM). The FMM is established under the Food Regulation Agreement and the international agreement between Australia and New Zealand, and consists of New Zealand, Commonwealth and State/Territory members. If endorsed by the FMM, the food standards on gazettal and registration, are incorporated into and become part of Commonwealth, State and Territory and New Zealand food laws. These standards or instruments are then administered, applied and enforced by these jurisdictions' regulators as part of those food laws.

3. Purpose

The Authority has prepared the draft standard to prescribe the form for a HSR Symbol for the purposes of draft Standard 1.2.13.

4. Documents incorporated by reference

The draft standard does not incorporate any documents by reference.

5. Consultation

In accordance with the procedure in Division 2 of Part 3 of the FSANZ Act, the Authority's consideration of Proposal P1067 will include two rounds of public comment following an assessment and the preparation of three draft standards and one draft variation (the draft measures), and their associated assessment summaries.

The first call for submissions was held between 7 May and 5 July 2026. The second call for submissions includes the draft measures and their associated assessment summaries and will be open for an eight-week period. Further details of the consultation process, the issues raised during consultation and by whom, and the Authority's response to these issues are available in an approval report published on the Authority's website at www.foodstandards.gov.au.

A Consultation Regulation Impact Statement has been assessed by the Office of Impact Analysis as compliant for consultation purposes (OIA26-12071).

6. Statement of compatibility with human rights

If approved, the instrument would be exempt from the requirements for a statement of compatibility with human rights as it would be a non-disallowable instrument under section 44 of the *Legislation Act 2003*.

7. Draft standard

The draft standard would be a new standard that would be incorporated into the Code.

The draft standard would be introduced by two notes providing information about the place of the draft standard within the Code and its application in New Zealand.

Note 1 would explain that the instrument is a standard under the FSANZ Act, and that the draft standard and the other standards together would make up the Code. This Note would also refer to section 1.1.1—3 of the Code.

Subsection 1.1.1—3(1) provides that unless the Code provides otherwise, the Code applies to food that is:

- (a) sold, processed or handled for sale in Australia or New Zealand; or
- (b) imported into Australia or New Zealand.

Note 1 would also explain that HSR requirements are regulated by Standard 1.2.13 and the draft standard prescribes the form of the requisite HSR Symbols for the purposes of Standard 1.2.13.

Note 2 would explain that the provisions of the Code applying in New Zealand are incorporated in, or adopted under, the *Food Act 2014* (NZ). This Note would also refer to section 1.1.1—3 of the Code.

Section S31—1 would establish the name of the draft standard.

Note 1 would explain that the draft standard commences on the date of gazettal, being the date specified as the commencement date in notices in the *Gazette* and the New Zealand Gazette under section 92 of the *Food Standards Australia New Zealand Act 1991* (Cth).

This note would also refer to section 93 of that Act. Section 93 sets out when a standard or variation (made under that Act) takes effect.

Section S31—2 would prescribe the form of the HSR Symbol for each HSR, from 0.5 to 5, in 0.5 increments. Each prescribed HSR Symbol would be a circle displaying five stars, with shading and a numerical rating corresponding to the applicable HSR, together with the words HEALTH STAR RATING.

The purpose of this section is to standardise the visual form used to communicate each possible HSR and to ensure that the HSR Symbol displayed in accordance with Standard 1.2.13 corresponds to the food's automatic or calculated HSR.

DRAFT EXPLANATORY STATEMENT

Food Standards Australia New Zealand Act 1991

Food Standards (Proposal P1067 – Health Star Rating – Consequential Amendments) Variation

1. Authority

Section 13 of the *Food Standards Australia New Zealand Act 1991* (the FSANZ Act) provides that the functions of Food Standards Australia New Zealand (the Authority) include the development of standards and variations of standards for inclusion in the *Australia New Zealand Food Standards Code* (the Code).

Division 2 of Part 3 of the FSANZ Act specifies that the Authority may prepare a proposal for the development or variation of food regulatory measures, including standards. This Division also stipulates the procedure for considering a proposal for the development or variation of food regulatory measures.

The Authority prepared Proposal P1067 to consider amending the Code to require foods for sale in Australia and New Zealand to display a Health Star Rating (HSR) Symbol. The Authority considered the Proposal in accordance with Division 2 of Part 3 and has prepared several draft measures including *Food Standards (Proposal P1067 – Health Star Rating – Consequential Amendments) Variation* (the draft variation).

2. Variation will be a legislative instrument

If approved, the draft variation would be a legislative instrument for the purposes of the *Legislation Act 2003* (see section 94 of the FSANZ Act) and be publicly available on the Federal Register of Legislation (www.legislation.gov.au).

If approved, this instrument would not be subject to the disallowance or sunset provisions of the *Legislation Act 2003*. Subsections 44(1) and 54(1) of that Act provide that a legislative instrument is not disallowable or subject to sunset if the enabling legislation for the instrument (in this case, the FSANZ Act):

- (a) facilitates the establishment or operation of an intergovernmental scheme involving the Commonwealth and one or more States; and
- (b) authorises the instrument to be made for the purposes of the scheme.

Regulation 11 of the *Legislation (Exemptions and other Matters) Regulation 2015* also exempts from sunset legislative instruments a primary purpose of which is to give effect to an international obligation of Australia.

The FSANZ Act gives effect to an intergovernmental agreement (the Food Regulation Agreement) and facilitates the establishment or operation of an intergovernmental scheme (national uniform food regulation). That Act also gives effect to Australia's obligations under an international agreement between Australia and New Zealand. For these purposes, the Act establishes the Authority to develop food standards for consideration and endorsement by the Food Ministers' Meeting (FMM). The FMM is established under the Food Regulation Agreement and the international agreement between Australia and New Zealand, and consists of New Zealand, Commonwealth and State/Territory members. If endorsed by the FMM, the food standards on gazettal and registration, are incorporated into and become part of Commonwealth, State and Territory and New Zealand food laws. These standards or instruments are then administered, applied and enforced by these jurisdictions' regulators as part of those food laws.

3. Purpose

The Authority has prepared the draft variation to make amendments to the Code that are consequential to the amendments proposed in draft Standard 1.2.13 and Schedules 30 and 31. The consequential amendments would support the operation of the new HSR requirements by integrating those requirements into the existing relevant provisions of the Code and making related amendments necessary for their operation.

4. Documents incorporated by reference

The draft variation does not incorporate any documents by reference.

5. Consultation

In accordance with the procedure in Division 2 of Part 3 of the FSANZ Act, the Authority's consideration of Proposal P1067 will include two rounds of public comment following an assessment and the preparation of three draft standards and one draft variation, and their associated assessment summaries.

The first call for submissions was held between 7 May and 5 July 2026. The second call for submissions includes the draft measures and their associated assessment summaries and will be open for an eight-week period. Further details of the consultation process, the issues raised during consultation and by whom, and the Authority's response to these issues are available in an approval report published on the Authority's website at www.foodstandards.gov.au.

A Consultation Regulation Impact Statement has been assessed by the Office of Impact Analysis as compliant for consultation purposes (OIA26-12071).

6. Statement of compatibility with human rights

If approved, the instrument would be exempt from the requirements for a statement of compatibility with human rights as it would be a non-disallowable instrument under section 44 of the *Legislation Act 2003*.

7. Variation

References to 'the variation' in this section are references to the draft variation.

Clause 1 would provide that the name of the variation is the *Food Standards (Proposal P1067 – Health Star Rating – Consequential Amendments) Variation*.

Clause 2 would provide that the Schedule to the variation varies standards in the *Australia New Zealand Food Standards Code*.

Clause 3 would provide that the variation commences immediately after draft Standard 1.2.13, Schedule 30 and Schedule 31 have all commenced.

Schedule

The Schedule would make consequential amendments to Standards 1.1.1, 1.1.2, 1.2.1, 1.2.7 and 1.2.8, and Schedules 11 and 12 of the Code, as a consequence of the introduction of draft Standard 1.2.13 and draft Schedules 30 and 31.

The amendments would integrate the new HSR requirements into the existing structure of the Code, remove provisions relating to the existing voluntary HSR arrangements, and make

related amendments necessary for the operation of the new HSR requirements.

Items [1] and [2] would amend subsection 1.1.1—2(2) by adding Standard 1.2.13 and Schedules 30 and 31 to the list of standards in the Code.

The purpose of these items is to incorporate those new Standard and Schedules into that list which depicts the structure of the Code.

Item [3] would amend Standard 1.1.2 and, in particular, paragraph (a) of the definition of **sugars** in subsection 1.1.2—2(3).

In particular, this item would omit ‘in Standard 1.2.7, Standard 1.2.8 and Schedule 4—’ and substitute the omitted text with ‘in Standard 1.2.7, Standard 1.2.8, Standard 1.2.13, Schedule 4 and Schedule 30—’.

The purpose of this proposed amendment is to ensure that paragraph (a) of the existing definition of **sugars** also applies for the purposes of the new HSR requirements.

Item [4] would amend Standard 1.1.2 and, in particular, the definition of **milk** in subsection 1.1.2—2(3) by omitting ‘milk means:’ and substituting the omitted text with ‘**milk** means, unless otherwise expressly stated:’.

If approved, the effect of this proposed amendment would be that the definition of **milk** in subsection 1.1.2—2(3) would apply throughout the Code, unless otherwise expressly stated for the purposes of a particular standard in the Code.

This means that the definition of **milk** in subsection 1.1.2—2(3) would not apply to Schedule 30 and instead, the definition of **milk** in Schedule 30 would apply for the purposes of that Schedule only.

The purpose of this proposed amendment is to allow Schedule 30 to provide a different definition of milk for the purposes of calculating a HSR, without changing the meaning of **milk** elsewhere in the Code.

Item [5] would amend Standard 1.1.2 by repealing section 1.1.2—15, which contains the existing definition of Permitted Health Star Rating symbol.

The purpose of this proposed amendment is to remove the definition used for the existing voluntary HSR system, as if draft Standard 1.2.13, and Schedules 30 and 31, are approved—the requirements for HSR Symbols would be set out in those instruments.

Item [6] would amend Standard 1.2.1 by inserting new Note 3 to subsection 1.2.1—6(1).

Subsection 1.2.1—6(1) sets out when food for sale must bear a label and the exemptions to that requirement.

The term ‘bear a label’ is defined in subsection 1.1.2—2(3) of the Code.

Note 3 would direct the reader to Standard 1.2.13 for the requirements relating to a HSR Symbol.

Item [7] would amend Standard 1.2.1 by inserting new Note 2 to subsection 1.2.1—6(2).

Subsection 1.2.1—6(2) sets out the labelling requirement if the food for sale has more than 1 layer of packaging and is required to bear a label.

The term 'bear a label' is defined in subsection 1.1.2—2(3) of the Code.

Note 2 would direct the reader to Standard 1.2.13 for the requirements relating to a HSR Symbol.

The purpose of **items [6]** and **[7]** is to alert readers that Standard 1.2.13 contains requirements relating to the display of a HSR Symbol that may need to be considered for the purposes of those labelling requirements.

Item [8] would amend section 1.2.7—6 of the Code by omitting the following paragraphs in that provision:

- (c) a declaration that is required by an application Act; or
- (d) a permitted Health Star Rating symbol.

and substituting the omitted paragraphs with:

- (c) a declaration that is required by an application Act.

Existing paragraph (c) is not the last paragraph in section 1.2.7—6.

Paragraph (d) would be removed as it refers to a permitted Health Star Rating symbol, which would no longer be relevant if draft Standard 1.2.13 and Schedules 30 and 31 are approved.

In that case, paragraph (c) would be the last paragraph in section 1.2.7—6.

The purpose of this proposed amendment is to remove the existing exclusion for a permitted HSR symbol, as that exclusion relates to the existing voluntary HSR system and would no longer be required under the new HSR requirements if approved.

Item [9] would amend section 1.2.8—3 by omitting 'or a Permitted Health Star Rating symbol'.

That section provides that Standard 1.2.8, which sets out nutrition information requirements in relation to foods for sale that are required to be labelled under the Code, does not apply to infant formula products or a Permitted Health Star Rating symbol.

The purpose of this proposed amendment is to remove the existing exclusion for a Permitted Health Star Rating symbol, as that exclusion relates to the existing voluntary HSR system and would no longer be required under the proposed new HSR requirements.

Item [10] would amend section 1.2.8—6 by inserting a new subsection 1.2.8—6(6A) after subsection 1.2.8—6(6).

Section 1.2.8—6 sets out what information must be included in a nutrition information panel.

New subsection 1.2.8—6(6A) would provide that if the label of the food displays a HSR Symbol and dietary fibre was used to determine the HSR for the food, a nutrition information panel must include a declaration of the amount of dietary fibre in accordance with section S12—3 (see **item [13]** below).

The term 'dietary fibre' is defined in subsection 1.1.2—2(3) of the Code.

The purpose of this proposed amendment is to ensure that consumers can see the amount of dietary fibre in a food where dietary fibre has been used to determine its HSR.

Items [11] and [12] would amend Schedule 11 of the Code, which sets out how to calculate values for nutrition information panels.

Item [11] would amend Note 1 to the heading of Schedule 11 by omitting the following dot point:

- sets out how to determine dietary fibre for subsection 1.2.8—7(7) and subsection S5—6(2); and

and substituting the omitted dot point with:

- sets out how to determine dietary fibre for subsection 1.2.8—7(7), subsection S5—6(2) and subsection S30—13(2); and

Existing Note 1 explains to readers that Schedule 11 sets out how to determine dietary fibre for particular provisions in the Code. The proposed amendment would include subsection S30—13(2) in those provisions.

Item [12] would amend subsection S11—4(1), which sets out methods of analysis for dietary fibre and other fibre content.

The proposed amendment would omit ‘subsection 1.2.8—7(7) and section S5—6(2)’ and substitute the omitted text with ‘subsection 1.2.8—7(7), section S5—6(2) and subsection S30—13(2)’.

If the variation is approved, a reference to subsection S30—13(2) would be included in the list of provisions for which subsection S11—4(1) applies.

Subsection S30—13(2) would provide that the prescribed method of analysis to determine total dietary fibre is outlined in section S11—4.

The purpose of the proposed amendments in **items [11] and [12]** is to ensure that the existing methods in Schedule 11 are used to determine the dietary fibre amount used to calculate a food’s HSR fibre points.

Item [13] would amend section S12—3 by omitting the section heading and the text following that heading, and substituting the omitted heading and text with:

‘S12—3 Format for nutrition information panels—subsections other than subsection 1.2.8—6(2)
For subsections 1.2.8—6(3), 1.2.8—6(5), 1.2.8—6(6A), 1.2.8—6(11), 1.2.8—6(12) and 1.2.8—6(13), the format for a nutrition information panel is:’

Section S12—3 sets out the format for a nutrition information panel for certain provisions in section 1.2.8—6 (a section that sets out what information must be on a nutrition information panel).

The existing section heading for section S12—3 and the text following that heading do not include a reference to the new proposed subsection 1.2.8—6(6A) (see **item [10]** above).

The amendment proposed in **item [13]** would include reference to proposed new subsection 1.2.8—6(6A).

In addition, this proposed amendment would include all other provisions to which section S12—3 would apply.

If the variation is approved, the effect of the proposed amendment in **item [13]** would be that the format of the nutrition information panel in section S12—3 would apply to proposed new subsection 1.2.8—6(6A) and the section heading would reflect that.

The purpose of this proposed amendment is to ensure that the dietary fibre declaration required by new subsection 1.2.8—6(6A) (see **item [10]** above) is included in the prescribed nutrition information panel format.