



A PRACTICAL VISION FOR **HORTICULTURE** **CODE OF CONDUCT** **REFORM**





FMA'S VISION FOR THE CODE

FMA's vision is for a Horticulture Code of Conduct that is practical, proportionate and trusted. It should strengthen fairness through improved clarity and usability, while supporting the commercial realities of Australia's fresh produce supply chain. The Code should evolve into a framework that growers and traders can confidently use and see value in.



PRICING WITH PURPOSE

FMA's vision for Pricing with Purpose recognises that the merchant method/formula pricing is a legitimate and essential practice in central market trading. The Code should retain this flexibility. The priority is practical understanding of what the Code requires under each trading model. This can be supported through national Code literacy, simpler plain language HPAs, and tools that make the trading model, pricing method, and key expectations clear.

- Retain the merchant method/formula pricing model as legitimate and essential central market practice.
- Support practical understanding of Code requirements under each trading model.
- Use plain language tools and fit for purpose HPAs that make model and pricing method clear.



INDUSTRY EVOLUTION

The review should recognise what sits within the Code and what is better addressed through broader Industry Evolution. FreshData is progressing as a national, verifiable market price transparency tool and should be strengthened as the sector's core system level mechanism. System level transparency options, including aggregated annual reporting, can build confidence and understanding where they are low burden and do not add red tape. Any remaining coverage gaps should be examined through evidence based whole of supply chain policy, rather than adding cost and complexity within the Code. The outcome should be clearer obligations, lower burden compliance, and a Code that both parties can use with confidence.

- Keep the Code focused on what it is best placed to regulate.
- Strengthen FreshData as the sector's core system level mechanism.
- Support system level transparency options, including aggregated annual reporting, where they are low burden and do not add red tape.

REFORM PRINCIPLES

SHARING THE RESPONSIBILITY



At the heart of this vision is Sharing the Responsibility and confidence in the Code framework. Compliance obligations should be workable and applied in ways that reflect how trade occurs in perishable markets. For HPAs, both parties should be able to access the current agreement, understand the trading model, and apply it consistently. Low burden approaches should confirm the agreement is in place for both parties. A national, coordinated education program is essential to lift Code literacy, supported by clear advice pathways and early guidance.

- Apply, shared, role based obligations for growers and traders.
- Keep HPAs accessible to both parties and confirmed as in place, useable in practice.
- Support a national Code literacy program with clear advice and early guidance.

MODERNISING THE CODE THROUGH SIMPLIFICATION



FMA is committed to Modernising the Code through Simplification. The review should remove or streamline requirements, paperwork and processes that add cost without improving outcomes. HPAs and grower statements should be shorter, clearer and fit for purpose, with reporting focused on substance and usability. FMA supports a simple deemed baseline of minimum protections as a backstop where an HPA is not yet finalised. It should encourage timely HPAs, not replace them, and allow opt out only through an explicit written agreement that is clear to both parties. Reforms should reduce duplication, recognise real world operational limits, and avoid cost shifting, particularly as margins tighten.

- Remove duplication and streamline requirements that add cost without improving outcomes.
- Simplify Code related paperwork and processes, while keeping the core rules that support fair dealing, legal clarity, and business confidence.
- Use deemed baseline protections as a backstop, with opt out only by explicit written agreement.



Re: Fresh Markets Australia's open letter on the 2026 Review of the Horticulture Code of Conduct

Fresh Markets Australia (FMA) welcomes the 2026 Review of the Horticulture Code of Conduct and the opportunity to improve a framework that sits at the heart of trade at the first point of sale.

Central markets move billions of dollars of fresh fruit and vegetables each year and support thousands of independent family businesses around the country. In a fast moving, perishable environment, the Code must be practical and fair. It should be easy to understand and workable day to day, reflecting how trade happens across the fresh produce supply chain.

Our objective in this Review is simple: a Code that growers and traders can use with confidence. Obligations should sit with the party that controls the relevant information and decisions, and they should apply consistently wherever trade occurs under the Code. Just as importantly, both growers and traders need clear guidance and straightforward advice, so the Code is understood in practice, not just on paper.

The Review is also an opportunity to take out unnecessary complexity. Current Horticulture Produce Agreements and reporting requirements, while well intentioned, have become time consuming, costly and, in some cases, duplicate information that is already available through existing commercial systems. Reform should protect key safeguards, but reduce paperwork, remove duplication and avoid cost shifting onto businesses that are already operating on tight margins.

It is important that the Code continues to recognise the three established trading models used in practice: agent arrangements, merchant agreed price and merchant method/formula pricing. Merchant method/formula trading was formally codified in the 2017 amendments to the Code and remains a normal part of central market trade. The focus in this Review should be on clearer explanation and simpler documentation of these trading models, so obligations are understood and applied consistently, not on removing tools that reflect how trade occurs. Finally, the Code should concentrate on what it does best: setting clear terms, supporting fair dealing and providing practical pathways to resolve disputes. Broader transparency goals are increasingly supported through system level initiatives, including FreshData and other market reporting mechanisms. Where transparency can be delivered in low burden ways outside the Code, that should be encouraged rather than adding complexity within the Code itself.

FMA is committed to working constructively with Government, growers and regulators so the Review delivers a clearer, workable Code that strengthens confidence at the first point of sale and across Australia's fresh produce sector.

Yours sincerely,

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