



Checklist for Traders

Horticulture Code of Conduct

January 2025

The Horticulture Code of Conduct (the Code) applies to traders (merchants and agents) who deal directly with growers of horticulture produce. This checklist is a helpful reminder of the most fundamental obligations under the Code. Failure to comply with these requirements can result in penalties.

Publish terms of trade

Under the Code you must ensure your terms of trade are published and made publicly available. You can put this on your website or a third-party website, such as an industry organisation, but it must be readily accessible. There is some specific information that must be included in your terms of trade in accordance with the Code. When you make a change to your terms of trade you must update the publicly available copy.

This is to help growers understand the services being offered by you and increase market transparency by allowing growers to compare your terms and conditions with other traders.

Specify if you will act as an Agent or Merchant

Under the Code, traders cannot be both an agent and a merchant under the same horticulture produce agreement (HPA). The terms of trade should specify whether you will act as an agent or a merchant and you should also clearly specify this on your HPA.

Execute a horticulture produce agreement (HPA)

A written HPA must be in place before you can start trading with any grower. The HPA must comply with the Code. Depending on whether you are acting as an agent or merchant the terms of the HPA, and your obligations under the Code, will vary.

The HPA must detail the process for varying or terminating the agreement and provide a cooling off period.

Provide statements to growers

You must provide statements to growers in accordance with the statement period in the HPA. The statement includes information to help the grower understand the reasons for the price of their produce including any factors in the supply chain that impact the price received by the grower.

The information that must be specified in a statement depends on whether you are acting as an agent or merchant. If you are acting as a merchant, and using a method or formula to ascertain price, you must specify the gross price on the grower statement. The gross price is the price received by you from a purchaser, such as a supermarket or other third party.

Keep records of certain documents

Traders, operating as an agent or merchant, must keep certain documents for at least 6 years.

Those documents include:

- HPAs after the agreement expires
- notices of offer/acceptance of an HPA after the agreement expires
- written terminations of HPA after the agreement expires
- notices and reasons for rejecting produce
- statements given to a grower for a reporting period
- a written record of the name of all growers dealt with.

Documents and records can be original or a copy. They can also be electronic copies.