

# Supplier Factsheet

## New or Revised Grocery Supply Agreements

May 2026



This factsheet is to help suppliers of groceries navigate their options when presented with a completely new grocery supply agreement (GSA) or a variation to an existing GSA by a regulated grocery retailer (RGR)<sup>1</sup>.

### Reason for a new or varied GSA

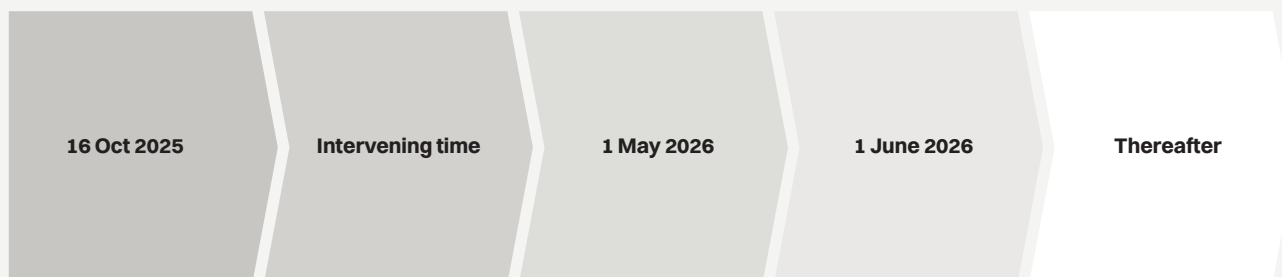
The Grocery Supply Code 2023 ('original Code') made by regulations will be replaced on 1 May 2026 with the Grocery Supply Code 2025 ('new Code') made by the Commerce Commission. The new Code includes some changes to the original Code.

### If you haven't signed a GSA

If you haven't signed a GSA that a RGR presented to you when the original Code came into force, any RGR you trade with should still present you with a new GSA. It is up to you whether you enter into a GSA or continue trading without one. A GSA is a useful document as it contains or refers to all the terms of trade between you and the RGR. It should provide confidence about how you and the RGR must deal with each other.

If you choose to trade without a GSA, you will continue to receive Code protections. However, the RGR may no longer be able to trade on some of the same terms if they have been affected by the new Code.

### Timeline of key dates



- Commerce Commission makes new Code

- RGRs may offer revised GSAs consistent with the new Code
- RGRs must continue to act in accordance with the original Code, even if suppliers accept the revised GSA

- New Code comes into force
- RGRs' dealings with suppliers need to be consistent with the new Code
- Suppliers cannot force compliance with an existing GSA if its terms are inconsistent with the new Code

- Last date by which RGRs must have offered GSAs consistent with the new Code

- Suppliers may take the time they need to accept, reject or negotiate the revised GSA

<sup>1</sup> Foodstuffs North Island, Foodstuffs South Island or Woolworths New Zealand

## The type of document you may be presented with

Under the Code, the RGR is required to offer you a GSA consistent with the Code. We are aware of two approaches to this.

One approach is for the RGR to prepare a variation to an existing GSA. This will take the form of a short document that makes changes to specific parts of an existing GSA. It becomes part of the GSA once agreed and needs to be read together with the original GSA.

The second approach is to replace the entirety of an existing GSA with a completely new document. This will take the form of a long document covering all the aspects of trade between a supplier and the RGR. If you already have a GSA, the replacement GSA should have a term explaining that it supersedes the previous GSA.



## Understanding the status of what has been presented

In most cases, the material will be a draft with no legal effect, even if it has been signed by a representative of the RGR. It requires your agreement to have legal effect.

### Unilateral variation

A unilateral variation clause in an agreement that gives one party the right to make changes without the other party's consent. The scope of this clause is usually limited but can sometimes enable a party to make changes required by law. Changes to deal with Code changes may fit this condition, but only if the changes do no more than deal with the Code changes and are consistent with the Code changes.

If you already signed a GSA and the RGR states that the new material is in effect or will take effect on a date stated in the new material under the RGR's unilateral variation powers, you should seek legal advice.

If legal advice is that the variation is a permitted unilateral variation:

- you will not need to sign the variation;
- your RGR may ask you to acknowledge receipt but withholding this will not change the status of what you have been sent

### What changes to look out for in new GSA terms

The new Code makes changes (that the RGR may also refer to as "variations" or "amendments") that might affect GSA terms as follows:

- Limits to wastage costs that the RGR can require you to pay
- How - after a customer promotion you have funded has ended - the RGR must deal with remaining stock
- Changes to Code clause numbers and clause titles

The RGR may use this opportunity to suggest other changes to your GSA. The RGR should distinguish between them and new Code-related changes.

For all changes the RGR proposes, it should be clear about where the changes are in the document and how they affect dealings between you. This is part of its obligation under the original Code and new Code to deal with you in good faith.

## What to do with the new material

Whatever the status of the new material, you need to read it and understand it.

### If you don't understand the changes

- ✓ Ask the RGR to explain them
- ✓ Seek legal advice

### If you disagree with the changes

- ✓ Tell the RGR you do not agree
- ✓ Propose your own changes to the RGR
- ✓ Negotiate in good faith with the RGR to reach a position that you both agree with
- ✓ Check carefully any revisions the RGR may produce
- ✓ Take legal advice

### Only sign material that

- ✓ you've read
- ✓ you understand
- ✓ you agree with

## If you can't reach an agreement

If you and the RGR can't reach an agreed position, check or take legal advice on whether any existing GSA you have signed continues in effect.

Even if an existing GSA continues in effect, the RGR may not be able to honour obligations in it that are inconsistent with the new Code. If it requires you to trade on different terms to meet the new Code that you do not agree with, provided it has negotiated with you in good faith first, it may choose to cease trading with you or not provide a full trading service.

If these are options presented to you, legal advice may assist.

## Resolve a dispute

If you have a dispute with a RGR you can use the resolution scheme for grocery industry disputes. It is an out-of-court process designed to quickly and fairly resolve disputes about the supply of groceries. The scheme is operated by the New Zealand Dispute Resolution Centre. For more information, please visit [www.grocerydispute.co.nz](http://www.grocerydispute.co.nz).

## Find out more

More information on the new Code can be found on the Commission's website.

See [www.comcom.govt.nz/regulated-industries/grocery/](http://www.comcom.govt.nz/regulated-industries/grocery/).

