



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

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Changes to California Recycling Labelling Requirements

MARKET INTELLIGENCE REPORT

Summary

What New Zealand Beverage Exporters Should Know

- New Zealand exporters of beverages including wine, spirits, beer, and other beverages, should take note of California's updated recycling labelling requirements.
- Recent changes will have an impact on beverage products sold in California starting from 1 July 2025. The United States is New Zealand's largest export market for wine, spirits, and water. In the year to August 2024, New Zealand exported NZ\$822 million in beverages to the United States. Compliance with the new requirements will be essential to mitigate potential disruptions and ensure continued commercial presence across shelves in California.

Report

California has introduced new labelling requirements that will affect all wine and distilled spirit containers sold in the state, in addition to labelling for other beverage containers including beer and malt beverages, carbonated and non-carbonated soft drinks, fruit and vegetable juice, sports drinks, coffee and tea beverages, and carbonated and non-carbonated water. Exemptions include milk containers, medical food, infant formula, and food and non-beverage containers.

This trend is set to continue, with all major political parties listing climate change as a priority and pledging support for helping businesses to transition to more sustainable practices.

The updates are outlined in the [California Beverage Container Recycling and Litter Reduction Act](#). The legislation, commonly known as the “Bottle Bill”, was signed by Governor Gavin Newsom on October 13, 2023, and requires that all containers filled and labelled after 1 January 2024 include a California Redemption Value (CRV) statement, if sold from 1 July 2025. The CRV statement must be clearly marked and can be applied via label, sticker (not applicable to aluminium cans), stamp, embossment, or similar methods.

These regulations are a part of the Beverage Container Recycling Program, where consumers pay CRV when they purchase beverages from a retailer, and receive CRV refunds when they redeem containers at a recycling centre. The goal of this refund is to incentivise recycling. While recycling in the United States is already encouraged, in practice, many choose landfill over recycling. The U.S. Environmental Protection Agency (EPA) notes that in 2021, under 6% percent of the 35 million tons of plastic waste in the United States was recycled, down from 8.7% in 2018. For the state of California, the CRV program has encouraged Californians to recycle more than 300 billion plastic, glass, and aluminium containers since the programme’s inception in 1987.

The transition period for compliance will conclude on 1 July 2025. After this date, any beverages sold in California will be required to adhere to the new labelling requirements. Labels must be one of the five CRV messages, and meet the minimum requirements for placement, size, visibility, and colour. Responsibility for compliance falls on distributors, who in addition to ensuring that all products have the appropriate labels, must ensure that the CRV is paid.

Producers of wine are particularly encouraged to take note of the changes. This is due to timing of harvesting considerations for winegrowers and the possibility these new requirements be reflected in the design and print of labels. Any wine bottled and labelled after 1 January 2024 and sold in California from 1 July 2025 must be labelled, but all wine bottled in glass and labelled before 1 January 2024 will be exempt (noteworthy given wine's long shelf life) from having to comply with these regulations.

If wines or spirits are sold for on-site consumption in a tasting room, those products will be exempt from the Bottle Bill's requirements. Any bottled products sold for offsite consumption in a tasting room will still be subject to the requirements of the Bottle Bill by 1 July 2025. Wine sold in plastic boxes, bladders, and pouches, however, do not require CRV labelling until 1 January 2026.

New Zealand exported over \$822 million NZD in beverages to the United States in the year to August 2024. Thirty two percent of New Zealand's total beverage exports go to the US This includes:

- \$780 million NZD in wine (New Zealand's largest wine export market by value);
- \$13.8 million NZD in water (New Zealand's largest water export market by value);
- \$13.2 million NZ in soda, juice, and other non-alcoholic beverages (New Zealand's third largest export market of this category by value);
- \$12.3 million NZD in spirits (New Zealand's largest spirits export market by value); and
- Almost \$1 million NZ in beer (New Zealand's fifth largest beer export market by value).

New Zealand wine is the third most imported in the United States, after French and Italian (2023). The state of California is the largest purchaser of New Zealand wine. This year has seen the highest total beverage exports from New Zealand to California, with New Zealand now the fourth largest beverage exporter overall after Mexico, France, and Italy. New Zealand beverage exports into California comprised \$440 million NZD in the year prior to August 2024, with these exports having doubled in less than a decade. These significant and growing beverage exports to California underscore the need for New Zealand beverage exporters to remain vigilant and compliant with regulatory changes in California's recycling labelling programme. New Zealand exporters should work closely with their US importers and distributors to ensure compliance. Early communication and collaboration with distributors and retailers will be key to a smooth transition.

For further information or inquiries, New Zealand exporters are encouraged to review CalRecycle's Beverage Container Recycling Program website at www.calrecycle.ca.gov. For wine exporters, please reach out to New Zealand Winegrowers with contact information at advocacy@nzwine.com.

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