

Voluntary Report - public distribution

Date: 7/14/2003 GAIN Report Number: KS3035

Korea, Republic of

Organic Products

What is Needed When Exporting Organic Products to South Korea?

2003

Approved by:

Daryl Brehm U.S. Embassy

Prepared by:

Robert Morgan

Report Highlights:

The labeling requirements for processed organic products imported by Korea have been updated to more closely parallel organic labeling requirements in the U.S. In order to clear Korean customs, however, U.S. exporters of processed organic foods need to make certain that all required documentation accompanies their products. Regulations for fresh products are administered under a separate program overseen by a different regulatory body.

> Includes PSD Changes: No Includes Trade Matrix: Yes Unscheduled Report Seoul [KS1] [KS]

Certification

The Korean Food and Drug Administration (KFDA) regulates the labeling of processed organic food products. An USDA/AMS-accredited certifying agent must certify and provide a transaction certificate for processed organic products for export to Korea. Additional Korean certification is unnecessary because the KFDA will recognize the USDA certificate.

The Ministry of Agriculture and Forestry (MAF) regulates imports of fresh produce and does not recognize USDA accredited certifying agents. However, USDA accredited certifying agents—or any other certifying agent—may apply for MAF recognition. Once recognized by MAF, any certifying agent can issue organic certifications for unprocessed organic products.

The costs of Korea-specific requirements, combined with the high cost of the air shipping often necessary for perishable produce, has discouraged US fresh organic exports to Korea. This report, therefore, focuses on the requirements for labeling processed organic products for the Korean market. See the table below for a brief summary of the Korean labeling requirements for fresh organic products.

Labeling

Korean labeling requirements for processed organic foods have been modified recently to parallel US Organic labeling requirements. They are the following:

100% Organic- This claim may only be used on the label if all ingredients contained in the product are certified organic.

Organic (on main label) - More than 95% of the product's ingredients must be certified organic in order to print "organic" on the main product label. The percentage of each organic ingredient must be stated on the ingredient panel of the Korean language label.

Organic (not displayed on main product label)- This is the equivalent to the US labeling standard "made with organic." If 70-95% of the product's ingredients are organic, the organic claim can be made somewhere not on the main product label. The percentage of each organic ingredient must also be stated and the same ingredient cannot be sourced from both organic and non-organic sources.

Listing- Products containing less than 70% organic content can list the percentage of each organic ingredient in the ingredients statement. However, an accredited certifying agent must certify that the final product was manufactured with the organic ingredient stated on the ingredient panel. Several shipments of U.S. product containing organic ingredients but unaccompanied by an organic certificate have failed to clear Korean customs.

The same organic label used in the US can now be used for export to Korea, but the importer must provide the documentation listed below. If the English language label is used, the importer is required to apply a Korean language sticker. If the Korean language sticker does not state the product is organic, or if the importer lacks a transaction certificate issued by a USDA/AMS accredited certification agent, the product may be sold as non-organic if the organic claim on the English label and ingredient panel is deleted or covered.

Documentation Needed

The US exporter should include the following documentation for the importer in Korea:

Original Transaction Certificate- An original transaction certificate (<u>not a copy</u>) issued by an USDA/AMS accredited certifying agent must state the <u>final</u> <u>product</u> lot is organic, including the lot number, volume, etc...

Organic Certificate- Although not specifically required by KFDA, some KFDA port inspectors may mistakenly think it is needed. Therefore, if available, including a copy of the organic certificate issued to the U.S. organic producer or handler by an USDA/AMS accredited certifying agent may expedite the port clearance process.

Problems may also be avoided if the importer includes copies of both the Original Transaction Certificate and the Organic Certificate with the product when it is distributed to wholesalers and retailers.

In the past, importers often needed a copy of the AMS home page and accompanying pages listing USDA/AMS accredited organic certifying bodies. KFDA has now added a link to a list of USDA/AMS accredited agents on their agency website. The printed pages are no longer required.

U.S. and Korean Organic Regulations Compared

The table below provides a side-by-side comparison of the U.S. and Korean organic certification and labeling requirements. Note that although Korea's standards for labeling organic products now more closely resemble those in the U.S. system, small differences remain.

Organic Labeling Requirements for Imports: The United States and Korea			
	US requirements	Korean Requirements	
Certification for	Must be certified organic	Imports from the U.S.	
Processed Products	by USDA accredited agent. Agent can be state, private, or foreign.	need certificate issued by an USDA/Agricultural Marketing Service (AMS) accredited certifying agent. See GAIN report KS3034 for more detail.	
		An "original transaction certificate" issued by an USDA/AMS accredited certifying agent stating lot is organic (including lot #, product name, volume, etc)	
		Customs has sometimes asked for an original farm or plant certificate, but it is not a requirement if an "original transaction certificate" is provided.	

Labeling of Durants]
Labeling of Processed Organic Products		
100% Organic	May be used on main label only if all ingredients are organic	Same
Organic	95% of product by weight must be organic in order to print "organic" on main product label. Remaining 5% may be non- agricultural substances from approved list.	US standards accepted, but the percentages of all organic ingredients should be listed on the Korean Language label. "Organic" can be used as a part of the product's name.
Made With Organic (US)/"Organic" (Korea)	At least 70-95% of ingredients must be organic to include "Made With Organic" on the main label. Up to three organic ingredients can be named. Same ingredient can't be sourced from organic and non-organic sources. No GMOs, irradiation, or sewage sludge used in production or handling.	The standard is the same, but "organic" cannot be stated anywhere on the main label in Korean. The U.S. label stating "made with organic" in English may be used provided that the Korean language sticker on the main panel does not say "organic" on it. Percentages of organic ingredients need to be listed on the Korean language ingredient label.
Listing on Ingredient Panel	Products with less than 70% organic content can list those ingredients that are organic on ingredient panel, but can't say "organic" on main label display panel.	Percentages of organic ingredients need to be listed on the Korean language ingredient label.
Fresh Organic Labeling Requirements	The US system for labeling unprocessed organic products is the same as the system used for labeling processed products.	Organic farms must be certified by a Korean Ministry of Agriculture and Forestry (MAF) approved certifying organization.
"Organic Product" (green label)		Farm must be chemical free for 3 years.
"Transitional Organic Agricultural Product" (light green label)		Farm must be chemical free for at least one year but less than three.
"No Agricultural Chemicals" (blue label)		No agricultural chemicals, but levels of chemical fertilizer allowed within the

	law.
"Low Agricultural	Dradward with 1/ or loss
"Low Agricultural	Produced with 1/2 or less
Chemicals"	the amount of agricultural
(orange label)	chemicals allowed by law.