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Korea - Republic of

Food and Agricultural Import Regulations and Standards - Narrative

FAIRS Country Report

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Report Highlights:

Sections Updated: Section I, II, IV, V, VI, VII, IX and Appendix I, II. The voluntary color-coded labeling system and a restriction of TV advertisement for children's preferred food products have been added. Labeling requirements including a voluntary inner labeling program and a voluntary guideline for nutritional labeling on the principal display panel have been updated. The new certification program for processed organic food products will be fully implemented from January 1, 2013. A list of acronyms used in this report is contained in Appendix I.D.

Section I. Food Laws:

Korea is well equipped with a modern legal system that is based on a fixed hierarchy. Based on this framework, an Act or law, legislated by the National Assembly, gives the legal basis for government regulations. The draft bill may be submitted by both the National Assembly and the competent government ministry for National Assembly consideration.

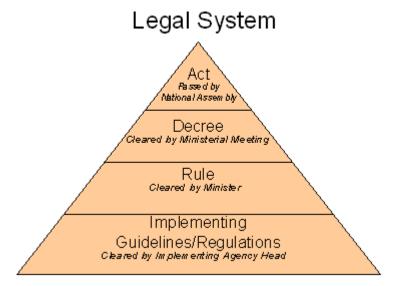
Under each Act, a Decree and Rule are drawn up by the responsible ministry to implement the law. The competent ministry or agency also promulgates notices and guidelines in order to provide more detailed guidance. The pyramid below, albeit an oversimplification, shows how this legal hierarchy fits together.

New and/or revised legislation - Act, Decrees, Rules, and the implementing guidelines - are published in the government gazette for public comments. At the same time, these changes are also notified to the WTO for international comments. In addition, over the last decade, many of these laws have been translated into English in order to strengthen cooperation with trading partners and multinational firms doing business in Korea. As a WTO member, Korea recognizes the importance of transparency and regularly notifies new and/or revised legislation to the international community through the WTO.

At times the Korean regulatory system lacks specificity, which in turn generates confusion because of multiple interpretations. The regulatory process is also heavily influenced by vocal industry and consumer groups, as well as politicians. Unfortunately, though, in some cases, regulators sometimes give way to these outside, populist-driven influences when drafting new regulations. The best example of this was right after the candlelight beef protests in 2008 when the government embarked on a campaign to win back consumer confidence in the nation's food safety system. Although the plan included some needed science-based improvements, there were several proposed measures like the ban on certain tar colors used in processed foods and beverages that clearly went beyond the realms of established science.

In the tar color case and several others since that time, Korea has pointed to the European Union as the basis for its action. Historically, Korea modeled its regulatory system after the U.S. system. But, this paradigm is gradually giving way to a European-based model as Korean authorities and public have come to perceive Europe's food safety system as somehow being more robust than other advanced nations such as the United States.

Regulators have also started citing the mantra of the consumers' right to know as the reason for proposing new regulations, such as the draft measure to expand biotech labeling for processed products like sugar, oils, and syrups derived from biotech crops even though these products do not contain any modified protein. While this particular measure has stalled within the Regulatory Reform Committee within the Prime Minister's Office due to concerns voiced by trading partners and local food manufacturers, the justification of consumers' right to know will continue to be bandied about by Korean regulators for the foreseeable future.



In addition, some proposed measures sometimes are seemingly developed in a vacuum, completely overlooking the impact on trade. As a result, regulators spend a great deal of time revising draft regulations such that they are consistent with international standards and in some cases the proposal is completely abandoned. As one example, earlier this year, Korea proposed discontinuing the use of multi-language labels on imported livestock products without first pausing to consider international labeling practices, not to mention that Korean livestock products exported to third countries use multi-language labels. After realizing its mistake, Korean authorities quickly backed away from their proposal.

The following are the responsibilities of major ministries and agencies involved with the Korean food system along with a brief description of relevant food laws.

A. Ministry of Health and Welfare:

The Ministry of Health and Welfare (MHW) has responsibility for implementing the Food Sanitation Act, the Functional Food Act, and the Special Act on Children's Dietary Life Safety Management and their implementing Enforcement Decree and Enforcement Rule. Several of these key laws and regulations are listed below.

- Food Sanitation Act: is the legal basis for the food safety-related work conducted by MHW and the Korea Food & Drug Administration (KFDA).
 - a. Enforcement Decree of the Food Sanitation Act: establishes provisions to implement the Food Sanitation Act. The Decree provides more defined guidance on interpretation and implementation of the Food Sanitation Act.
 - a. Enforcement Rule of the Food Sanitation Act: prescribes more detailed guidance on how the Food Sanitation Act and the Enforcement Decree are to be implemented. This ordinance provides the nuts and bolts for conducting food related business in Korea, including the relevant penalties for compliance failure. The Rule also includes samples of the various types of forms needed in conducting food related business, including food imports.
- Functional Food Act: provides the legal basis for MHW and KFDA oversight of functional foods, such as health foods and nutritional supplements.
 - a. Enforcement Decree of the Functional Food Act: establishes provisions to implement matters regulated by the Functional Food Act.
 - a. Enforcement Rule of the Functional Food Act: prescribes more detailed guidance on how the Functional

Food Act and its Decree are to be implemented. This Rule includes inspection of imported functional food, penalties for violations, applications for import inspection, advertisements, etc. Other more detailed standards and regulations guiding functional food-related business in Korea are provided in the form of the Functional Food Code, Guidelines for Labeling of Functional Food, Guidelines for the Advertisement of Functional Food, relevant notices, etc. These detailed standards and regulations are the responsibility of KFDA.

- Special Act on Children's Dietary Life Safety Management: provides the legal basis for MHW and KFDA's determination and oversight of food products preferred by children. This Act restricts the sales and advertisements of high calorie low nutrient food products and introduces a voluntary color-coded labeling system.
 - a. Enforcement Decree of the Special Act on Children's Dietary Life Safety Management: establishes provisions to implement matters regulated by the Special Act on Children Dietary Life Safety Management. The Decree defines food products preferred by children, which will be subject to sales and advertisement restrictions.
 - a. Enforcement Rule of the Special Act on Children's Dietary Life Safety Management: prescribes more detailed guidance on how the Special Act and its Decree are to be implemented. This Rule includes criteria for the designation of good businesses, labeling standards for quality certified food products, and the designation and the management of foods within school zones. Other more detailed standards and regulations such as the designation of high calorie low nutrient food products are also established by KFDA.

B. Korea Food & Drug Administration:

KFDA is responsible for setting and enforcing standards and specifications for domestic and imported foods, functional foods, food additives, food packaging, containers and equipment. KFDA headquarters oversees six regional KFDA offices. With respect to imported food products, KFDA inspects products under provisions provided in the "Inspection Guidelines for Imported Food, etc." KFDA provides an electronic book for questions and answers for imported food in Korean on its website called: KFDA Food Import Q & A

KFDA also sets and implements regulations governing safety evaluations of agricultural products enhanced through biotechnology and labeling requirements for processed food products manufactured using GMO ingredients. In addition, KFDA establishes the guidelines for implementing the Hazard Analysis of Critical Control Point (HACCP) program and recall systems for food products, excluding livestock and dairy products, which are regulated by MIFAFF. KFDA also regulates non-food-related products, including cosmetics, vaccines, blood products, medical devices and radiation-emitting products.

On May 1, 2009, KFDA established the National Institute of Food & Drug Safety Evaluation, which is a think-tank that provides scientific information to KFDA policy makers. The Food Safety Bureau, the Risk Prevention Policy Bureau, the Nutrition Policy Office, and the Food Standardization Department under KFDA headquarters and the Food Safety Evaluation Department under the National Institute of Food & Drug Safety Evaluation are dedicated exclusively to food-related issues.

Several of the key KFDA regulations listed below, are available on their website at: www.kfda.go.kr

- Food Code: stipulates standards and specifications for manufacturing, processing, usage, cooking, storage of food
 and equipment, containers and packaging for food products. It specifies the standards for maximum residue levels
 of agricultural chemicals, antibiotics, synthetic antibiotics, hormones, radioactive ray standards, testing methods,
 etc. The Food Code contains general standards and specifications governing food products and individual standards
 and specifications.
- Food Additive Code: defines standard specifications for individual food additives and usage standards. See Section IV for details.

- Labeling Standards for Food: provides guidance on how to meet KFDA's Korean language labeling requirements for imported food products. See Section II for details.
- Labeling Standards for Recombinant Food: provides standards required for labeling of processed food products
 containing corn, soybeans, cotton, canola, and sugar beets with 3 percent or higher GMO content. See Section II for
 details.
- Functional Food Code: contains general standards and specifications governing functional foods, and individual standards and specifications for functional food categories.

C. Ministry for Food, Agriculture, Forestry and Fisheries:

The Ministry for Food, Agriculture, Forestry and Fisheries (MIFAFF) is responsible for establishing regulations and standards related to agricultural products, including livestock and dairy products as well as forestry and fishery products. Several agencies within MIFAFF are responsible for issuing and enforcing regulations.

The National Veterinary Research & Quarantine Service (NVRQS) is responsible for establishing sanitary controls, standards, specifications and labeling requirements for domestic and imported livestock and dairy products in accordance with the Livestock Product Processing Control Act. NVRQS is responsible for HACCP and recalls for meat, poultry, eggs and dairy products.

The National Plant Quarantine Service (NPQS) is responsible for preventing the introduction of harmful weeds, pests and disease originating from imported plants, fruits and vegetables. NPQS conducts pest risk analysis, determines the appropriate eradication method for detected pests, and sets and enforces quarantine measures.

The Rural Development Administration (RDA) is responsible for developing the rural sector and administering policies on research and development, extension service, and training for farmers. RDA is pro-biotech and is actively pursuing GMO research in several food crops grown in Korea, such as virus resistant rice. RDA is the MIFAFF's lead technical advisor on GMO-related policy. In addition, RDA conducts environmental risk assessments of biotech crops, in accordance with the LMO Act, which is the country's enforcement legislation for the Cartagena Protocol on Biosafety.

The National Agricultural Product Quality Management Service (NAQS) is responsible for setting quality standards and grades for agricultural products, enforcing country of origin marks, GMO labeling requirements, and organic labeling for fresh fruits, vegetables, and grains in the marketplace, accrediting certifiers of non-processed organic produce, and post monitoring of labeling of organic processed food products in the market place. NAQS collects samples from retail markets and tests products for GMO content with RDA-developed testing methods.

Several of the key MIFAFF regulations are listed below.

- 1. Livestock Product Processing Control Act: specifies requirements for the slaughter and handling of livestock and the processing, distribution and inspection of livestock products. The Act is the legal basis for setting health standards provided in the Livestock Code (excluding antibiotic and pesticide standards for meat, poultry and dairy products which are governed under the Food Sanitation Act).
 - a. Enforcement Decree of the Livestock Product Processing Control Act: establishes which matters will come under the Livestock Product Processing Control Act and how the Act will be enforced.
 - b. Enforcement Rule of the Livestock Product Processing Control Act: establishes which matters will come under the Livestock Product Processing Control Act and the corresponding Decree, and how the Act and the Decree will be enforced. The Rule establishes the basics needed to conduct livestock product businesses and the relevant penalties for non-compliance. It also provides samples of forms needed to conduct such businesses.

- 2. Livestock Code: provides health standards for meat, poultry and dairy products, such as microorganism standards, criteria and standards for livestock products, etc. (excluding MRLs for veterinary drugs and pesticide standards which are defined in the Food Code under the Food Sanitation Act).
- 3. Labeling Standards for Livestock Products: provides the labeling standards for livestock products, containers, equipment, packaging and stamping dyes based on Article 6-1 of the Livestock Product Processing Control Act for domestic and imported livestock products.
- 4. Import Health Requirements for Various Animals: live animals and animal products should comply with the standards as specified by the relevant MIFAFF provisions issued by the Quarantine Policy Division (QPD). QPD makes regulations and NVRQS enforces them. Korea's health requirements for livestock and products can be found in English on the USDA's Food Safety & Inspection Service (FSIS) website.
- 5. Plant Protection Act: safeguards agricultural and forestry production by establishing quarantine regulations for imported and domestic plants.
 - a. Enforcement Decree of the Plant Protection Act: establishes which matters will come under the Plant Protection Act and how the Act will be enforced.
 - b. Enforcement Rule of the Plant Protection Act: establishes which matters will come under the Plant Protection Act and the corresponding Decree, and how the act and Decree will be enforced.
- 6. Import Plant Inspection Guideline: defines inspection procedures for imported plants and plant materials and establishes specific principles for the inspection and disposition of imported plants.
- 7. Agricultural Products Quality Control Act: includes provisions governing agricultural GMO products and labeling, country of origin marks, geographical indication (GI), trace-back, etc. The Act gives MIFAFF a legal basis for its requirements regarding the labeling of unprocessed GMO commodities for the purpose of providing accurate product information to consumers.
 - a. Enforcement Decree to the Agricultural Products Quality Control Act: establishes which matters will come under the Agricultural Products Quality Control Act and how the Act will be enforced.
- 8. Guideline for Labeling of Genetically Modified Agricultural Products: provides details on labeling requirements for unprocessed GMO commodities, including a list of commodities subject to GMO labeling, labeling methods, etc. See Section II for details.
- 9. Sustainable Agriculture Promotion Act: promotes environmentally sustainable "organic" agriculture by introducing production methods and techniques to protect the environment, by reducing environmental pollution related to agriculture, and by encouraging the adoption of sustainable agriculture.
- 10. Enforcement Decree of the Sustainable Agricultural Promotion Act: establishes which matters will come under the Sustainable Agricultural Promotion Act and how the Act will be enforced.
 - a. Enforcement Rule of the Sustainable Agricultural Promotion Act: establishes quality control standards for three types of sustainable agricultural produce: organic produce, no-pesticide produce, and low-pesticide produce and two types of livestock products: organic livestock products and antibiotic free livestock products. This Rule also establishes requirements for organic certifying agents, certification, etc.
- 11. Guideline for Country of Origin (COO) for Agricultural Products: provides COO labeling requirements for domestic agricultural products and raw materials used in domestically processed agricultural products. COO labeling of imported agricultural products is required under Article 53 of the Presidential Decree of the Foreign Trade Act.

- 12. Food Industry Promotion Act: promotes the development of the food industry and to improve its competitiveness by ensuring a stable supply of quality agricultural goods for the domestic industry. This Act is the legal basis for MIFAFF's organic certification program for processed food products and certification programs for quality food products.
 - a. Enforcement Decree of Food Industry Promotion Act: establishes provisions to implement matters regulated by the Food Industry Promotion Act. The Decree provides details about accreditation agencies for organic processed food products.
 - b. Enforcement Rule of Food Industry Promotion Act: prescribes more detailed guidance on how the Food Industry Promotion Act and its Decree are to be implemented. This Rule includes matters related to certification of organic processed food products such as criteria of organic handling, procedures, standards, a list of ingredients allowed for use in organic processed food products, labeling, issuance of certificates, qualification of certifying agents, and others.
- 13. Guideline for Designating and Operating "Fine Food" Certification Agencies: provides requirements for certifying agents of organic processed food products.
- 14. Operational Guidelines for the Organic Processed Food Certification Program: provides certification requirements for organic processed food products.
- 15. Quality Control of Fishery Products Act: increases fishermen's income and protect consumers by enhancing the marketability and stability of fishery products and fostering the seafood processing industry through quality control.

D. Ministry of Knowledge Economy

The Ministry of Knowledge Economy (MKE) is the national competent authority for implementation of the Cartagena Protocol on Biosafety (CPB). Korea ratified the Cartagena Protocol on Biosafety (CPB) on October 2, 2007. Shortly thereafter, on January 1, 2008, Korea implemented the living modified organisms or LMO Act, which is the implementing legislation for the CPB and the overarching law governing the country's biotechnology related rules and regulations. For more information about the CPB, please refer to the 2010 Biotech Annual Report for Korea.

Several of the key MKE regulations are listed below.

- LMO Act: implements the Cartagena Protocol on Biosafety and to ensure the safe development, production, importation, exportation, commercialization, etc., of living modified organisms. This Act provides guidance on import approval, mandatory risk assessment, labeling, etc., of living modified organisms (LMO) or GMO commodities. See GAIN Report KS 1029 for an English translation of the Act.
 - a. Enforcement Decree of the LMO Act: establishes the responsibilities of the relevant government agencies; the procedures for the importation, production, export notification, transit report, etc., of LMOs; procedures for designating the agencies responsible for risk assessments and specialized review agencies; labeling and handling requirements; the creation and operation of a bio-safety clearing house, etc.
 - a. Enforcement Rule of the LMO Act: stipulates the provisions delegated by the LMO Act and its Enforcement Decree and the provisions deemed necessary to implement the Act and Decree. This Rule includes document requirements for import approval of LMOs, safety assessments, environmental risk assessments, production approval, etc.
 - a. Consolidated Notice: This notice provides guidelines for export and import of LMOs for intended for agricultural use, intended for environmental release, intended for food, feed and processing and other use.

E. Prime Ministers Office

In the wake of the beef protests in 2008, the National Assembly passed the Framework Act on Food Safety. Under this law, the Prime Ministers Office was given the lead to coordinate the country's food safety controls across the various ministries and agencies.

According to the new Act, each relevant agency was tasked with developing a comprehensive 3-year food safety plan. In order to facilitate integration of these various plans, the law called for the establishment of a food safety committee with the Prime Minister serving as the chairperson. Committee members include: the Minister of Strategy and Finance, the Minister of Education, Science and Technology, the Minister of Justice, the Minister for Food, Agriculture, Forestry and Fisheries, the Minister of Health and Welfare, the Minister of Environment, the Commissioner of the Korea Food and Drug Administration, and Minister of the Prime Minister's Office.

Section II. Labeling Requirements:

A. KFDA Labeling Standards

In June 1998, KFDA was legally delegated authority for food labeling standards. The KFDA Food Safety Policy Division is responsible for establishing labeling standards for food products. KFDA regional offices inspect labeling of imported food products upon arrival. Provincial government health officials also have the authority to check labeling of both imported and domestic products in the market place.

All imported food products are required to be labeled with the necessary information in Korean. Stickers may be used instead of manufacturer-printed Korean language labels for imported food products. The sticker should not be easily removable and should not cover the original labeling.

Labels should have the following inscriptions printed in letters large enough to be readily legible:

- Product name. The product name should be identical to the product name declared to the licensing/inspection authority.
- Product type. This is mandatory for specially designated products, such as teas, other beverages, extract products, special purpose foods, etc.
- Importer's name and address, and the address where products may be returned or exchanged in the event of defects.
- Manufacture date (date, month, and year). This is mandatory for specially designated products, such as boxed
 lunches, rice roll in seaweed, hamburgers, sandwiches, sugar, liquor (excluding beer and Korean traditional rice
 liquor since they are required to indicate shelf life), and salts. For liquors, a manufacture number (lot number) or
 bottling date can substitute for the manufacture date.
- Shelf life or best before date. Food product labels should indicate the manufacturer-determined shelf life. Products including: jams, saccharide products (e.g. dextrin, oligosaccharide, and fructose), teas, coffee, sterilized beverages, bean based sauce and paste, sterilized curry products, vinegar, beer, starch, honey, wheat flour, etc. can use either a best before date or a shelf life date on the product label. If various kinds of products are packaged together, the shelf life expiration date of the product with the shortest life should be noted on the label.

- Contents (Calories). Weight, volume or number of pieces should be indicated. If the number of pieces is shown,
 the weight or volume must be indicated in parentheses. Calories are only required for food products subject to
 nutritional labeling.
- Ingredient names and content. The names of all ingredients have to be included on the Korean language label except for a product whose area of the principal display panel is not larger than 30 cm2. For the product whose area of the principal display panel is not larger than 30 cm2, it is required to list the top five ingredients only.

Artificially added purified water and names of ingredients used to make a composite raw ingredient amounting to less than five percent of the product in weight will be excluded from the requirement. In case of a composite raw ingredient amounting to less than five percent of the product by weight, only the name of the composite raw ingredient must be listed on the Korean language label. In the case of a composite raw ingredient amounting to over five percent of the product by weight, the names of all ingredients contained in the composite raw ingredient must be listed on the Korean language label. Ingredients must be listed in order of predominance by weight, that is, the ingredient that weighs the most is listed first, and the ingredient that weighs the least is listed last.

Food additives must also be listed by full name, abbreviated name, or purpose on the label (e.g. Ferric Citrate, FECitrate, or nutrient fortified substance). Food items known to be food allergens must be indicated on the label even if they are added as part of a mix at minimal levels. Food items considered as food allergens include eggs, milk, buckwheat, peanuts, soybeans, wheat, mackerel, crab, shrimp, pork, peaches and tomatoes. Any food product containing one or more of the 12 items listed above as a raw ingredient(s) must be indicated on the Korean language label.

- Nutrients. Only designated products are subject to nutritional labeling. Please see below for more details.
- Other items designated by the detailed labeling standards for food. This includes cautions and standards for use or preservation (e.g., drained weight for canned products, radiation-processed products, etc.).

There are several categories exempted from the abovementioned labeling requirements.

- 1. Agricultural products such as grains; fishery items, such as whole frozen fish; and fruits, that are not contained in a container or package, etc.
- 2. Foods to be used for manufacturing for a company's own use. Appropriate documentation must be provided to verify end-use. In this case, the name of the product, the name of the manufacturer, and manufacture date or shelf life or best before date shall be indicated on the original package either in English or in a language of an exporting country.
- 3. Products imported for the purpose of acquisition of foreign currency, under the provisions of Article 34 of the Ministerial Ordinance to the Foreign Trade Act.

There have been several significant changes to the labeling requirements over the past few years.

Effective April 30, 2010, the use of photos or pictures of fruit was no longer permitted on the label unless the product contained the corresponding natural flavor or ingredient.

The revision, dated December 2009, introduced a voluntary guideline for nutritional labeling posted on the principal display panel. The revision also allows labeling on an outer container or a package that contains retail sales unit products of candies, gums, and chocolates instead of individual labeling on the actual sales unit.

The revision made in May 2009 made the inner packaging labeling requirements voluntary for products whose area of the largest side of the inner package is over 30cm2. This change became effective in May 2010. To provide information to consumers, the product name, the net content with calories corresponding to the net content, the shelf life or the best before date, and the nutrients may be included on the inner package labeling.

The latest revision, dated on July 29, 2010, improves labeling requirements for irradiated food products. The revision allows the use of tag as an option for means of labeling and a description of "contains irradiated ingredients" when it is difficult to verify which ingredients were actually irradiated.

Nutritional Labeling Requirements

In accordance with Article 6-1 of the Enforcement Rule of the Food Sanitation Act, the following food categories listed below require nutritional labeling. Nutritional labels (example below) must be written in the Korean language and use the Korean nutrient reference values, which are provided below.

- Special purpose food products
- Bread (cake, doughnuts, bread loaf, other bakery goods), noodles, retort foods, edible oil and fats and dumplings
- Candy, chocolate, confectionary goods such as cookies, biscuits, and snacks, jam, and beverages
- Frozen dessert (ice candies), fish sausages, rice roll, hamburgers, and sandwiches

Even though products fall under one of the above categories, if it is used as ingredient for further processed products, a nutritional label is not required. Products outside these four categories are not subject to mandatory nutritional labeling, but it is allowed to use the standard U.S. nutritional fact panel if it is part of the original product label.

In addition, if a specific nutrient is emphasized, the exact content must be labeled. For example, if a product is labeled as "calcium enriched yogurt", the content of calcium must be labeled.

Nutrition Facts
Serving size 00 (00 g)

Total serving size (00g)				
Amount per serving		*% daily value		
Calories	000kcal			
Carbohydrat	00g	00%		
е				
Sugars	00g			
Protein	00g	00%		
Fat	00g	00%		
Saturated	00g	00%		
Trans fat	00g			
Cholesterol	00mg	00%		
Sodium	00mg	00%		

% daily values: percentages of daily reference values

Note: This information is included here in English for the reader. The actual label, though, must be in Korean.

Nutrient Reference Daily Values

Nutrients	Values	Nutrients	Values
Carbohydrate (g)	328	Vitamin B2 (mg)	1.2
Dietary fiber	25	Niacin (mg NE)	13
Protein (g)	60	Vitamin B6 (mg)	1.5
Fat (g)	50	Folic acid (μg)	250
Saturated fat (g)	15	Vitamin B12 (μg)	1.0
Cholesterol (mg)	300	Biotin (μg)	30
Sodium (mg)	2,000	Pantothenic acid (mg)	5
Potassium (mg)	3,500	Phosphorus (mg)	700
Vitamin A (μg RE)	700	Iodine (μg)	75
Vitamin C (mg)	100	Magnesium (mg)	220
Calcium (mg)	700	Zinc (mg)	12
Iron (mg)	15	Selenium (µg)	50
Vitamin D (μg)	5	Copper (mg)	1.5
Vitamin E (mga – TE)	10	Manganese (mg)	2.0
Vitamin K (μg)	55	Chrome (µg)	50
Vitamin B1 (mg)	1.0	Molybdenum (μg)	25

Vitamin A, Vitamin D, and Vitamin E must be expressed in the units specified above, but the values in International Units (IU) may be stated in parentheses.

Voluntary Color Coded Labeling System

The May 21, 2009 revision to the Special Act on Children's Dietary Life Safety Management finalized a voluntary color coded labeling system (so called traffic light labeling) for children's preferred food products. The National Assembly initiated the revision and aimed to make a mandatory traffic light labeling system for children's preferred food products. However, due to concerns raised by industry, the proposed system was finalized as a voluntary system. The KFDA Commissioner may recommend that total fat, saturated fat, sugar, sodium and other nutrients be displayed in red, yellow, red or other colors depending on the contents. Labeling details will be determined by the KFDA Commissioner. This new

system started from January 1, 2011.

High Caffeine Content Labeling Requirements

The March 7, 2005 revision to the labeling standards for food introduced a "high caffeine content" declaration requirement for food containing high levels of caffeine. Products with artificially added caffeine and liquid products made from raw material containing caffeine where the level of caffeine in the liquid product exceeds 0.15 mg/ml are required to state that the product has "high caffeine content" on the principal display panel. However, this requirement does not apply to products for which "coffee" or "tea" is used as the product name or part of the product name. This requirement was enforced from September 6, 2006.

Functional Food Labeling Requirements

Labeling Standards for Functional Food were established January 31, 2004. In accordance with those standards, a manufacturer's printed Korean language label must be on the product. It should have the following information, in addition to those required for general food products listed above: 1) functional food to be indicated; 2) information on the efficacy claim; 3) intake directions and cautions; 4) a statement that the product is not a pharmaceutical product that prevents or heals disease; and, 5) other points as required in the detailed labeling guidelines for functional food. As for a simple minor error in the printed label such as a typo, a sticker can be affixed to correct the error. The June 2009 edition is the latest revision.

KFDA's Processed Organic Food Labeling & Certification Requirements

The labeling standards for organic products are defined in the Labeling Standards for Food et al as noted below. Please note that these requirements will remain effective until December 31, 2012 at which time MIFAFF will assume full regulatory authority over organic products. More information on MIFAFF's organic certification system is available in the next section.

- 1. Organic raw materials of imported food products must be equal to or better than the quality standards specified in Article 17 of the Environmental Agricultural Promotion Act and Article 9, Annex 3, Paragraph 2 and 3 of the Enforcement Regulations of the Act.
- 2. If organic raw materials of imported food products are not subject to the quality standards specified in the above Korean regulations, such products must meet the relevant quality standards of the exporting country.
- 3. Organic and non-organic agricultural products can not be used in a mixture as one raw material.
- 4. Raw materials not included on the list of raw materials permitted for use in the manufacture or processing of organic food products (Table 3 of Labeling Standards for Food et al.) can not be used. In accordance with the Labeling Standards for Food et al., "raw material" is defined as a material, except for purified water purposely applied to the product, that is used for the manufacturing, processing or cooking of food or food additives and that are contained in the final product.
- 5. Irradiated raw materials can not be used.

- 6. Genetically modified foods or food additives can not be used or detected. (Note: In 2005, KFDA formalized its zero tolerance policy for biotech components in organic processed products by revising a provision by adding the words "or detected".)
- 7. The container or package used for a food may be recycled or made of biodegradable material.
- 8. The determination as to whether an imported food meets the standards specified in (1) through (7) above may be based on a certificate issued by a competent certification body, such as the government authority of the exporting country or an internationally recognized entity like IFOAM. (Note: KFDA recognizes U.S. organic products certified under the U.S. National Organic Program).

Labeling may be done in the following manner depending on the content of organic agricultural ingredients in a food product.

- 1. 100%: when the finished food product does not contain any other food or food additive except for organic agricultural ingredients, the label "100% organic agricultural product" or similar labels may be used.
- 2. Not less than 95%: when not less than 95 percent of the raw materials contained in the finished food product are organic agricultural ingredients, the term "organic" or similar terms may be used as a part of the product name and stated on the main labeling panel of the container or package; and the name, seal and logo of the organization that certified the organic agricultural produce used in the product, as well as other certification information, may be stated. In this case, the content of the organic agricultural ingredients must be stated in percentage terms on the raw material section of the label.
- 3. Less than 95% but more than 70%: when 70 percent or more but less than 95 percent of raw materials contained in the finished food product are organic agricultural ingredients, the term "organic" or similar terms may be stated on a labeling surface of the container or package other than the main labeling panel. In this case, the content of the organic agricultural ingredients must be stated in percentage terms on the raw materials section of the label.
- 4. Others: when a food not included in (1) through (3) above includes organic agricultural products, the term "organic" or similar terms may be used as a part of the names of such ingredients on the raw materials section of the label. In this case, the content of individual organic agricultural ingredients must be stated in percentage terms on the raw materials section of the label.

The two documents listed below should be presented to KFDA regional offices when submitting an import application for U.S. organic food products: Please note that a "transaction certificate" is no longer required for imported organic food products.

1. A copy of an organic certificate issued by the USDA-accredited certifying agent. The certificate must include the

following information:

- a. Name, address, and phone number of the certifying agent
- b. A list of the types of organic food the operation is certified by the certifying agent to produce or process
- c. The company name, address, and effective date (or renewal date) of the certification
- 2. An original ingredient statement issued by the manufacturer that includes the office/department/division name, name and signature of the issuer.

Contact information for the KFDA division responsible for labeling is:

For organic labeling

Food Safety Policy Division

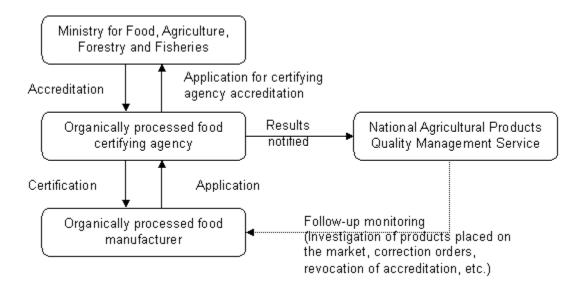
Food Safety Bureau, KFDA #643 Yeonje-ri, Gangoe-myeon, Cheongwon-gun Chungcheongbukdo, Korea 363-951

Phone: 82-43-719-2020 or 2021 Fax: 82-43-719-2000

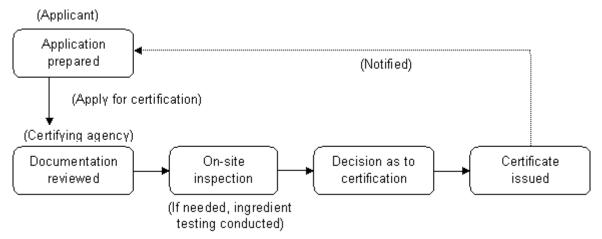
MIFAFF's Processed Organic Food Labeling & Certification Requirements

For organic labeling for processed food products, MIFAFF introduced a mandatory organic certification program for processed food products in June 2008. This new program will be fully implemented starting January 1, 2013, which will require all domestic and imported organic processed products to be certified by a MIFAFF accredited certifying body. Products produced according to KFDA's labeling requirements, which clear customs on or before December 31, 2012, will be eligible to be sold in the marketplace until their shelf life expires. MIFAFF's accreditation and certification system will operate as shown in the flow diagrams below.

Accreditation and Certification System



Certification procedures



- 1. Application for certification: A person who desires certification should apply to a certifying agency using the form in Attachment 13 of the Enforcement Rule of the Food Industry Promotion Act accompanied by a copy of a food item manufacturing report, an organic handling plan, documents evidencing that the raw materials and additives meet the certification standards. At the time of application, the applicant should also pay the fee as determined by the certifying agency. You can prepare the "organic handling plan," one of the required documents, according to the format provided by the certifying agency.
- 2. Documentation review: Once the documents have been submitted, the certifying agency reviews the documents to determine whether the content of the documents is in compliance with the standards set forth under the Act. If any non-compliance is identified during the review, the applicant is notified of the fact and requested to correct the non-compliance.

3. On-site inspection: If no problems are identified during the document review, the certifying agency sends inspectors (usually two people) to the applicant's production facility. An inspector should not have a conflict of interest with

regard to the certification of the applicant. He or she conducts the evaluation based on objective facts to determine

whether the organic handling system of the applicant's production facility complies with the standards set forth

under the Act and then prepares a report on the results of the review.

4. Certification decision: Once the review report is submitted, the certifying agency takes into consideration the

review report and all other relevant information from the applicant. The inspectors who conducted the on-site

inspection of the applicant are not allowed to participate in the decision-making process, nor can they provide

opinions on the decision.

5. Certificate issuance: If the applicant is determined as having an organic handling system in compliance with the

standards set forth under the Act at his/her production facility, the certifying agency issues a certificate. In the case

of non-compliance, the applicant will be notified and another review will be conducted after corrections have been

made. Depending on the severity of the non-compliance, other actions may be taken.

6. Annual inspections: After issuance of a certificate, the applicant's production facilities will need to be regularly

inspection at least once every year. The procedures are the same as those of the initial certification. Three months

before the validity of the certification expires, the applicant should submit a regular inspection application (using

the form in Attachment 12 of the Enforcement Rule of the Act) with required documents to the head of the

certifying agency.

To date, five Korean certifying agencies and four foreign certifying agencies - three agencies located in Europe and one in

Australia - have been accredited by MIFAFF. Although no U.S. certifier has been accredited, the United States plans to

work with Korea towards equivalence such that Korea would recognize all products certified under USDA's National

Organic Program (NOP).

For additional details in English and Korean about the requirements for organic processed food products and accredited

certifying agencies, please refer to following website:

http://www.foodsafety.go.kr/jsp/mti/agadm_userweb/bbs/view.jsp?bbs_id=012&bbs_seq=10909

Contact information for MIFAFF's organic labeling is:

Food Safety and Consumer Affairs Policy Division

Food Safety and Consumer Affairs Policy Bureau

MIFAFF

Phone: 82-2-500-1990

Fax: 82-2-503-7277

B. Labeling Regulations for Organic Agricultural Products - Sustainable Agriculture Promotion Act (Administered by

MIFAFF)

On December 13, 1997, the Sustainable Agriculture Promotion Act was passed. In December 1998, the Presidential Decree

and the Ministerial Ordinance of the Act were released with the aim to identify matters covered by the Act and details

needed to enforce the Act. The latest revision of the legislation is April of 2009.

Organic produce is classified into three categories for agricultural produce; organic produce, no-pesticide produce, and low-

pesticide produce, and can be labeled accordingly. As for low pesticide produce, Korea stopped issuing any new

certification for low pesticide produce from 2010 since this category will be discontinued in 2016. For livestock products,

two categories of certification are available; organic livestock and no antibiotic livestock. For imported organic agricultural

produce, the product is required to get certification from an official certification agency recognized by MIFAFF.

To date, MIFAFF has officially designated 66 Korean certification agencies and two foreign entities - one in Australia and

the other in Germany - have been designated. Unlike KFDA's labeling regulations for organic processed products, organic

agricultural produce complying with the U.S. organic standards or international standards still needs certification from

MIFAFF's official certification agency to carry a "Korean language organic label" in the Korean market.

That being said, though, MIFAFF is currently in the process of consolidating the legislation covering processed and fresh

organic products. After this process is complete, the United States and Korea will work towards negotiating an equivalence

arrangement that will cover both processed and fresh organic products, including livestock and dairy products. In other

words, all organic livestock products would become eligible for export to Korea after an equivalence agreement has been

reached.

The MIFAFF Environment Friendly Agriculture Division establishes the regulations for organic products. The National

Agricultural Products Quality Management Service (NAQS) enforces these regulations. Their respective contact

information follows.

Environment Friendly Agriculture Division

Food Safety and Consumer Affairs Policy Bureau, MIFAFF

1 Choongang-dong, Kwacheon City

Kyunggi-do, Korea 427-760

Phone: 82-2-500-2126 or 2127

Fax: 82-2-507-2095

Consumer Safety Division, NAQS

310 Choongang-ro, Manan-ku Anyangshi, Kyunggi-do, Korea

Phone: 82-31-446-0160

Fax: 82-31-446-0903

C. Labeling Standards for Livestock Products (Administered by MIFAFF)

NVRQS also has labeling guidelines for livestock products including meat, dairy and egg products, which are similar to

KFDA's labeling guidelines. According to Article 3 of the Labeling Standards for Livestock Products, the items below are

required to be listed on the Korean language label. In addition, according to the Korean Trademark Law, registered trademarks in foreign languages and Chinese characters can be written next to the Korean text.

- 1. Product name
- 2. Type of livestock product
- 3. Name and address of company
- 4. Manufacture date month and year (only required for certain products)
- 5. Shelf life
- 6. Content
- 7. Names of ingredients or raw materials and the percentage content by weight (percentage content is required if any ingredients are used in the product name or as a part of the product name or indicated on the principal display panel)
- 8. Nutritional data (only required for certain products)
- 9. Other items specified in Article 7 of the Labeling Standards for Livestock Products, according to the "Detailed Labeling Standards for Livestock Product et al."

Imported livestock products may be exempt from the requirement to label in the Korean language if the product falls into one of the following categories:

- 1. Carcasses
- 2. Large packaged products (bulk type), limited only to raw materials to be repackaged prior to sale
- Raw materials for manufacturing processed livestock products (i.e., frozen turkey to be used in manufacturing sausages. In this case, the original foreign label must bear product name, manufacturer's name, shelf life or manufacturing date)
- 4. Products permitted to be imported for the purpose of earning foreign currency per the Foreign Trade Management Regulations

Nutritional labeling is required for milk, fermented milk, processed milk, ice cream, milk formula, milk powder and sausages.

The June 2009 revision of the livestock labeling requirements is the latest edition. This revision restricts the use of photo or picture of fruit and ingredients for products that contain synthetic flavorings. This revision also requires an indication of the conversion date, shelf life and storage temperature applicable to a frozen product in the case that a fresh product is converted into a frozen product. It must carry a claim "This product is a frozen product made by freezing a fresh product" and it should not cover the original label and the original label shall not be removed.

Contact information for the NVROS division responsible for livestock product labeling follows:

Livestock Product Safety Division

Department of Livestock Product Safety and Inspection, NVRQS #480 Anyang 6-dong, Manan-ku, Anyang-shi Kyunggido, Korea

Phone: 82-31-467-1968; Fax: 82-31-467-1974

D. Labeling Regulations for Unprocessed GMO products (Administered by MIFAFF)

On June 29, 2007, biotech labeling for unprocessed biotech food grade commodities was expanded to include all crops approved by KFDA for human consumption. These types of shipments are required to comply with the following requirements.

- 1. Raw GMO agricultural commodities must be labeled as "Genetically Modified XX (insert the name of the agricultural product)."
- 2. Agricultural commodities containing a GMO component must be labeled as "Containing Genetically Modified XX (insert the name of the agricultural product)."
- 3. Agricultural commodities that possibly may contain a GMO agricultural component (but the importer is not certain) must be labeled as "May contain Genetically Modified XX (insert the name of the agricultural product)."
- 4. Raw unprocessed agricultural commodities that are 100-percent GMO free may be labeled as "Non-GMO" or "GMO Free" on a voluntary basis. Please note that the three percent maximum threshold allowance does not apply to such commodities. Furthermore, usage of the terms "Non-GMO" or "GMO Free" is limited to products under the purview of MIFAFF. KFDA does not encourage such terms to be used for products under its control. See GAIN Report KS1004 for details.
- 5. To be exempt from mandatory GMO labeling, either full IP documentation or a government issued certificate that proves the products in question are non-GMO is necessary.

Contact information for the MIFAFF division responsible for unprocessed GMO commodity labeling follows:

Quarantine Policy Division

Food Safety and Consumer Affairs Policy Bureau, MIFAFF

1 Choongang-dong, Kwacheon City

Kyunggi-do, Korea 427-760

Phone: 82-2-500-2122; Fax: 82-2-504-9427

E. Labeling Standards for Recombinant Food (Administered by KFDA)

In August 2000, KFDA announced the Labeling Standards for Recombinant Food, which refers to processed food products containing ingredients enhanced through biotechnology. Effective August 24, 2009, KFDA expanded the product list subject to GMO labeling to any crops that have been approved as safe by KFDA. If these crops are among the top five ingredients in the designated 28 food categories, and a foreign protein or foreign DNA is present in the final product, the processed food product would be subject to GMO labeling. Foods containing refined ingredients derived from these crops, such as cotton and canola oils, and raw sugar are currently exempt from the labeling requirement since a foreign protein or foreign DNA is not present in the finished products.

Processed food products shall be labeled when:

- a. The GM ingredient is one of five major raw materials used in the product.
- b. Recombinant DNA or foreign proteins are present in the final product.

An unprocessed agricultural commodity to be further processed into a food product must be labeled when:

c. The agricultural commodity is subject to MIFAFF biotech labeling requirements because it exceeds the threshold allowance for a GM component, the three-percent tolerance.

Labeling & Testing Requirements for Recombinant Foods:

- "Recombinant Food" or "Food Containing Recombinant XX" (e.g., "Food Containing Recombinant Corn") must be used for a food known to contain 100 percent biotech-enhanced ingredients. The text is to be indicated on the principle display panel in such a way that the consumer may easily recognize the label.
- "Recombinant" or "Recombinant XX" (e.g., "Recombinant Corn") must be used for a food known to contain a biotech-enhanced ingredient. The text is to be indicated in parentheses beside the name of the GMO ingredient listed as a raw material of the food.
- "May contain Recombinant XX" must be used for a product if an exporter or importer is not sure whether it contains a GMO ingredient or not.
- Colors used to label the recombinant nature of the food shall be clearly distinguishable from the color of the container or package. Indelible ink, a stamp, brand, etc., shall be used so that the consumer may easily find the label.
- Non-detachable stickers may be used for imported foods or food additives. Indelible ink, stamp or brand, etc., must be used.

- No label shall be affixed to the product if the processed food is made using non-GMO ingredients or if one or more
 of top five major ingredients are non-GMO ingredients. In this case, either full IP documentation or a government
 issued certificate must be submitted to KFDA. For details about required documents, please refer to GAIN Report
 KS1046.
- The terminology "Non-GMO" and "GMO Free" is not encouraged for use on labels of processed foods.
- Stickering "May contain GMO XX (a name of agricultural product)": If requirements of (a) or (b) above cannot be met, the importer or exporter must apply a sticker on the product stating "May contain GMO XX." Such stickers can be applied in Korea prior to Customs clearance.
- A test certificate issued by a domestic commercial laboratory, foreign government or foreign commercial laboratory is acceptable if it shows no presence of recombinant DNA or foreign protein in the final product. The original test certificate will be submitted to KFDA. Please refer to KS 6064 for details about testing methods. A list of approved laboratories is found in Appendix II of this report. Note: If the test shows a presence of GMO components in any event (such as KFDA's random inspection), then a label must be affixed stating the product contains a GMO component.
- If the imported product arrives without appropriate documentation, it can be tested in Korea prior to Customs clearance. If the KFDA's the product tests positive, it must be labeled that it contains GMOs.

Contact information for the KFDA team responsible for GMO labeling follows:

Novel Food Division

Office of Nutrition Policy, KFDA #643 Yeonje-ri, Gangoe-myeon, Cheongwon-gun Chungcheongbukdo, Korea 363-951

Phone: 82-43-719-2359 or 2360 Fax: 82-43-719-2350

F. Liquor Labeling (Administered by Korea Tax Administration)

Liquor products must be labeled according to usage. For liquors other than wine, the label should state either home usage or sale in large size stores. If the liquor is for on-premise use, a separate label is not required. For wine products, only home consumption use must be labeled, all other uses no longer require a label.

- 1. The usage label must be on the main label or the supplementary label for imported liquor, and only on the main label for domestic liquor products.
- 2. Liquors for consumption at home and at large size stores must be marked as "for home use" or "for large size stores" in white against a green or dark blue background. The writing must be printed in a color that can be clearly distinguished from the label's main background color. Outlining it with a box is also acceptable.

Liquors for "at home use" and "large size stores" must also have a statement that reads "Not allowed to be sold in restaurants and bars" on the main label or supplementary label.

As noted in the section on KFDA's labeling standards, the use of a photo or a picture of fruit or ingredients on the product label for products that contain only synthetic flavors are restricted effective April 30, 2010. This restriction applies to liquor products as well.

G. Country of Origin Labeling (COOL) - (Administered by MIFAFF)

According to COOL guidelines, many agricultural products, including most imported products, must be labeled by origin. Detailed labeling information is provided in the COOL guidelines. The National Agricultural Product Quality Management Service (NAQS) enforces COOL requirements in the marketplace. As for imported products, the Korea Customs Service (KCS) enforces COOL requirements prior to Customs clearance.

In 2006, KCS tightened the enforcement of COOL for meat products. KCS required COOL on inner package of meat products. Either "Made in U.S.A.", "Made in U.S.", or the U.S. mark of inspection (U.S. inspected and passed) is permitted as eligible for COOL. For individual pieces of imported fruit such as oranges, bananas, no COOL on the individual fruit is required. Individual label is exempt when the possibility of misunderstanding the country of origin based on the external appearance of the commodity is small.

Contact information for the MIFAFF division team responsible for COOL follows:

Food Safety and Consumer Affairs Policy Division

Food Safety and Consumer Affairs Policy Bureau, MIFAFF

Phone: 82-2-500-2097 or 2098

Fax: 82-2-503-7277

H. Other Labeling Requirements

The Korean government requires beef sellers to keep the track of all transactions from the importing stage to the final retail level. Imported beef is required to be traceable via a distribution identification number up to the retail store level. See GAIN Report KS1033 for further details.

Section III. Packaging and Container Regulations:

"Standards & Specifications for Equipment and Container/Packaging" established by KFDA and printed in Chapter 7 of the Korean Food Code, includes general standards for equipment, container and packaging for food products and specifications for individual packaging materials.

The Ministry of Environment announced regulations in 1999 covering PVC shrink wrap packaging, which went into effect January 1, 2001.

Containers or packages that can be recycled must carry a "separation and discharge" sign. In accordance with the Act on the Promotion of Saving and Recycling of Resources and its Decree, containers or packages that are made using paper, metal,

glass, plastic materials, and synthetic resins must be marked with a "separation and discharge" sign. The sign is to facilitate the recycling of wastes. The sign should indicate the type of material the package is composed of. For example, PET, HDPE, LDPE, PP, PS, PVC, or Other should be indicated for containers or packaging made of plastic materials. For metals, either iron or aluminum should be indicated. Either a printed label or a sticker label is acceptable. This requirement has been in place since January 1, 2003.

Section IV. Food Additives Regulations:

Food Additive Code (Administered by KFDA)

The Food Additive Code guides the use of all additives in foods in Korea. As of December 2010, Korea had a positive list of 609 approved food additives and mixture of approved additives. Food additives are grouped into four categories: (a) chemical synthetics – 400 items, (b) natural additives – 202 items, (c) mixture substances – seven categories of mixture of approved additives, and (d) sanitizers – ten items.

Most additives and/or preservatives are approved and tolerance levels are established on a product-by-product basis in Korea. This sometimes creates difficulties as tolerances can vary from product to product. Even though there may be an established CODEX standard for a given food additive, if that food additive is not registered in the Korean Food Additive Code, or even if it is registered but usage in a certain food product is not specified, use of that food additive in the given food product is prohibited.

Getting a new additive added to the approved list usually takes a year or so. The "Guidelines for Designation of Food Additives" explains the detailed information required for the approval of a new additive.

The Food Additive Code on its English website: http://fa.kfda.go.kr/foodadditivescode.html

The office responsible for approving food additives is as follows:

Food Additives Standardization Division

Food Standards Department Korea Food & Drug Administration #643 Yeonje-ri, Gangoe-myeon, Cheongwon-gun Chungcheongbukdo, Korea 363-951

Phone: 82-43-719-2502~2512 Fax: 82-43-719-2500

Section V. Pesticides and Other Contaminants:

Three government agencies – the Korea Food & Drug Administration (KFDA), the Ministry for Food, Agriculture, Forestry and Fisheries (MIFAFF) and the Ministry of Environment (MOE) – handle pesticide related matters. KFDA regulates pesticide residues in foodstuffs. MIFAFF is responsible for pesticide registration and MOE is responsible for testing pesticide levels in water, soil and agricultural products.

KFDA is responsible for regulating pesticide residues in foodstuffs, in accordance with the maximum residue levels (MRLs) set in the Food Code. As of December 2010, KFDA has set MRLs for 419 pesticides in agricultural products and 65 pesticides in ginseng products. The Food Code also lists MRLs for 83 pesticides and 110 veterinary drugs in meat, fish, eggs and milk products.

The latest Food Code posted on KFDA website provides the most updated MRLs in Korean. In addition to the Food Code, KFDA has set the MRL database for agricultural products in Korean with English subtitles on its website at: http://fse.foodnara.go.kr/residue/pesticides/pesticides_info.jsp

If an MRL is established in the Food Code for a pesticide on a particular agricultural product, other tolerance levels, such as CODEX, etc., are not accepted. However, for pesticides where tolerance levels have not been established in the Korean

Food Code, rules described below are applied. For details about regulations for MRLs for agricultural products, please refer to GAIN report KS 4040.

- The CODEX standards set for a particular agricultural product in question shall apply (No CODEX crop group MRL applies).
- If the provision in (1) is not applicable, the lowest of the residue limits of the pesticide in question specified for similar agricultural products shall apply to the agricultural product in which the pesticide detected (a grouping of similar agricultural products is provided in the Chapter 3 of the Korean Food Code).
- If provisions in (1) and (2) are not applicable, the lowest of the residue limits of the pesticide for any agricultural crop will apply to the detected pesticide.

For additional question on MRLs, please contact the KFDA office listed below:

Food Standards Division

Food Standards Department Korea Food & Drug Administration #643 Yeonje-ri, Gangoe-myeon, Cheongwon-gun Chungcheongbukdo, Korea 363-951

Phone: 82-43-719-2416 or 2418 Fax: 82-43-719-2400

Pesticide Registration

The Rural Development Administration (RDA) under MIFAFF is responsible for the registration of pesticides, safety usage standards and notification of pesticides. All pesticides used in Korea should be registered with RDA. At the end of 2009, there were a total of 1,366 agrochemicals registered by RDA. A list of all registered agrochemical items can be obtained from the Korea Crop Protection Agency. KCPA also has an English publication titled "Pesticide Handbook" that contains item names, trade names, and common names of registered agrochemicals at:

 $\underline{http://www.koreacpa.org/index3/data/up_file/data_board/2062009\%20Pesticide\%20Handbook(PDF).pdf.}$

The registration process, which is shown in the diagram below, can take years. For registration data requirements, please contact the RDA office listed below:

Agro-Materials Management Division

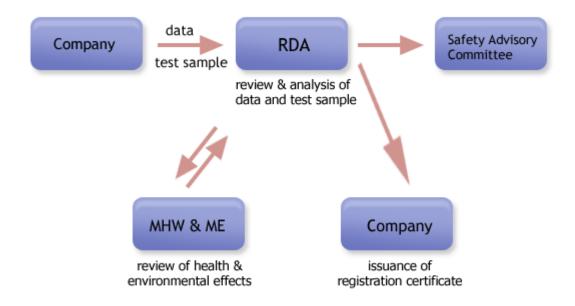
Research Policy Bureau Rural Development Administration

Suin-ro, 150th (250th, Seodun-dong), Gwonseon-gu, Suwon, Gyunggido, Korea

Phone: 82-31-299-2602~3 or 9

Fax: 82-31-299-2469

Registration Procedure of Agrochemicals



RDA: Rural Development Administration MHW: Ministry of Health & Welfare

ME: Ministry of Environment

Source: Korea Crop Protection Association

Section VI. Other Regulations and Requirements:

A. Product Registration & Import Inspection

No product registration is required for importation of food products to Korea. All new to market products are subject to mandatory laboratory testing conducted by the relevant inspection agency. Subsequent shipments of the product that passed the first laboratory testing will be exempt from mandatory laboratory testing. For more details about import inspection, see Section IX. Import Procedures.

B. Sanitary and Phytosanitary Certification Requirements - Animals, Meat, Plant, etc.

Sanitary and phytosanitary certificates issued by the exporting country's inspection authority are required for live animals, plants and meat products, such as beef, pork, poultry, etc. This requirement is in accordance with the Livestock Epidemics Prevention & Control Act, the Plant Protection Act, and the Act on Sanitary Control of Livestock Products.

For the United States, the U.S. Department of Agriculture (USDA), Animal & Plant Health Inspection Service (APHIS), issues sanitary and phytosanitary certificates for live animals and plants, while the USDA, Food Safety & Inspection Service (FSIS), issues health certificates for meat products.

Korea requires that beef imports come from plants approved under the Export Verification (EV) Program set up by USDA's Agricultural Marketing Service (AMS). Beef must be slaughtered and/or processed at plants listed in the Official Listing of Bovine Eligible Suppliers (aka, USDA Bovine EV Programs). This list can be obtained by visiting the following AMS Website:

http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRD3105269

Beef that was slaughtered and processed at an EV program can be exported after being stored in a warehouse approved by USDA's Food Safety Inspection Service. A list of all of the establishments on the Meat, Poultry and Egg Products Inspection Directory approved by FSIS for storing beef to be exported to Korea is available by visiting the following FSIS website. http://www.fsis.usda.gov/Regulations_&_Policies/Meat_Poultry_Egg_Inspection_Directory/index.asp

In addition, Korean beef importers and U.S. exporters have reached a commercial understanding that, as a transitional measure, only U.S. beef from cattle less than 30-months of age will be shipped to Korea. The USDA, Agricultural Marketing Service (AMS) set up a voluntary Quality System Assessment (QSA) Program to verify that beef from participating plants will be from cattle less than 30 months of age. Exporting establishments may choose to participate in the AMS Quality Systems Assessment (QSA) program that verifies that the beef being certified is from cattle less than 30 months of age. At this time, Korea will not accept at port-of-entry shipments of beef without the QSA program statement in the Remarks section of the FSIS 9060-5 as described in the Documentation section, and Korean quarantine officials will return shipments without the statement to the owner/agent of the product. A list of QSA approved establishments and their approval dates can be obtained from the AMS website.

Korea requires pre-approval of meat facilities, including slaughter plants, processors, and warehouses prior to exporting the product to the Korean market. Pre-approval is facilitated by registration with FSIS and being listed in the FSIS Meat, Poultry and Egg Products Inspection Directory and AMS's website for beef products under the EVA program and the QSA program. It is advised that Korean companies wanting to import meat products from the United States first verify that the supplying U.S. facilities are eligible to export to Korea.

The "issuance date" of both health and phytosanitary certificates shall be prior to the "on-board date" listed on the Bill of Lading. The "inspection date" on a certificate must be prior to the departure date. To prevent unnecessary delay at the port of entry, the certificate "issuance date" should be prior to the departure date of shipments.

Current information on which U.S. livestock and poultry products are eligible for export to the Korean market can be found on the USDA, Food Safety & Inspection Service (FSIS) website. This site also provides guidance regarding what documents must accompany livestock product shipments destined for Korea.

C. StarLink Free Certification

In March 2008, KFDA eliminated mandatory requirements for a StarLink free certificate for U.S. origin corn and corn based products. However, KFDA still maintains 100 percent testing of all kernel corn shipments declared as biotech corn to confirm the absence of StarLink corn. KFDA does not test non-biotech corn shipments.

D. Bt 10 Free Certification

In March 2008, KFDA eliminated mandatory requirements for a Bt 10 free certificate for U.S. origin corn shipments. In April, 2010, KFDA also eliminated 100 percent testing for all kernel corn imports to confirm the absence of Bt 10 corn.

E. LLRice Statement and Test Certification

After the discovery by U.S. authorities of trace amounts of Liberty Link Rice (LLRice) 601 in the U.S. rice supply in August 2006, the Ministry for Food, Agriculture, Forestry and Fisheries requires a statement issued by the USDA/GIPSA about laboratories participating in GIPSA's proficiency program and a non-GMO certificate issued by one of the participating laboratories. In addition to the statement and test certificate requirement, the Korean government instituted multiple testing requirements to verify the absence of all LLRice events in shipments of U.S. rice. After the first test conducted by the laboratory participating in the USDA/GIPSA's Liberty Link Rice Proficiency Program, the Overseas Merchandise Inspection Company (OMIC) will conduct the second test prior to loading. KFDA requires all incoming shipments of U.S. rice to be tested upon arrival and NAQS is conducting monitoring testing after the shipment passes KFDA inspection. Please refer to GAIN Report KS 7044 for details about LLRice testing requirements.

F. Samples

General processed food products are not subject to import requirements as long as they are considered as samples. For sample shipments, the invoice should be marked as having no commercial value. If the volume or the market value is not considered a sample, it will be subject to import requirements. A phytosanitary certificate and a meat export certificate are required for products subject to quarantine inspection even if they are shipped as samples.

G. Monitoring at Retail & Wholesale Levels

KFDA conducts monitoring at retail and wholesale levels for processed food products including processed meat products such as canned meat, while NVRQS/MIFAFF conducts monitoring for non-processed meat products in the retail and wholesale markets. In addition to KFDA and NVRQS/MIFAFF, the municipal government also conducts monitoring for any food products distributed at the retail and wholesale levels.

Section VII. Other Specific Standards:

Genetically Modified Organisms (GMOs) caught the public's attention and in particular, that of Korean consumer groups during the second half of 1998. On August 20, 1999, KFDA issued its guideline on the safety evaluation of genetically modified food products and food additives. This guideline, which established safety evaluation requirements and procedures for the approval of recombinant foods and food additives, in accordance with Article 4, Paragraph 2 of the Food Sanitation Act, was revised September 1, 2003. The revision mandates safety evaluations. Thus, foods and food additives developed through recombinant DNA techniques shall be distributed commercially only after the KFDA Commissioner confirms that such foods and food additives pose no health risk to humans.

On February 27, 2004, KFDA began to require mandatory safety evaluations for soybeans, corn, and potatoes and for all other biotech crops. In accordance with the KFDA guideline and the Food Sanitation Act, any product containing biotech ingredients that have not completed the safety evaluation cannot be sold in Korea. To date, 70 events – four soybean events, 38 corn events, 14 cotton events, six canola events, four potato events, three alfalfa events, and one sugar beet – have passed KFDA's safety evaluations conducted according to this guideline.

On May 4, 2001, MIFAFF released the draft guidelines for environmental risk assessments (ERAs) of biotech crops used for food, feed and seed. MIFAFF finalized these guidelines on January 9, 2002 and operated environmental risk assessments of biotech crops on a voluntary basis. Beginning January 1, 2008, ERAs became mandatory for biotech crops including LMOs for food, feed and processing as MKE's LMO Act went into effect. To date, 59 biotech events have completed ERAs.

For more details about Korea's regulations and situation pertinent to biotechnology, please refer to the 2010 Biotech Annual Report for Korea.

On March 5, 2002, the Korean Fair Trade Commission (FTC) announced new advertisement requirements for food containing a biotech-enhanced ingredient effective July 1, 2002. The FTC, in its revision of the "Notification of Principle Information on Labeling & Advertisement" guideline, defines the "presence" of a biotech component as principal information that must be provided in an advertisement for any food product that MIFAFF or KFDA requires to be labeled as biotech-enhanced foods. According to FTC's advertisement notification rules, anyone who manufactures or sells biotech-enhanced foods, and advertises such products in one of the identified forms below, needs to indicate the presence of the biotech component:

- Newspapers or magazines;
- T.V. commercials (when its running time is greater than two minutes); and,
- Cable T.V. commercials.

The pertinent information must be noted as follows:

- "Contains biotech-enhanced food" when the presence of a biotech-enhanced component is certain;
- "May contain biotech-enhanced food" when the presence of a biotech-enhanced component is uncertain.

Starting January 1, 2010, the KFDA Commissioner might limit or prohibit TV advertisements of high calorie-low nutrient food products designated by KFDA. According to the Special Act on Children's Dietary Life Safety Management, TV advertisements of the designated products are prohibited during the hours between 5:00 p.m. and 7:00 p.m. Also, commercial breaks during children's program are prohibited. KFDA has uploaded a computer program on its website where industry can verify whether a product is classified as high calorie-low nutrient food products. KFDA also posts a list of food

products that are classified as high calorie-low nutrient food products on its website. For more details about restrictions on children's preferred food products and high calorie-low nutrient food products, please refer to GAIN report KS 9020.

Section VIII. Copyright and/or Trademark Laws:

The Korea Industrial Property Office is responsible for registration of trademarks and for review of petitions related to trademark registration. In accordance with the Trademark Law, the trademark registration system in Korea is based on a "first-to-file" principle. A person who registers a trademark first has a preferential right to that trademark and Korean law protects the person who has the right over the trademark. To prevent trademark disputes, U.S. companies considering conducting business in Korea are encouraged to register their trademarks prior to beginning their business operations.

Section IX. Import Procedures:

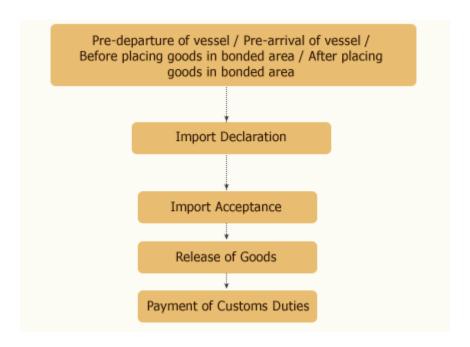
A. Customs Clearance

The Korea Customs Service (KCS), KFDA, the National Quarantine Office (for ports that do not have KFDA regional offices), the National Veterinary Research & Quarantine Service, and the National Plant Quarantine Service are the agencies involved in the import clearance process.

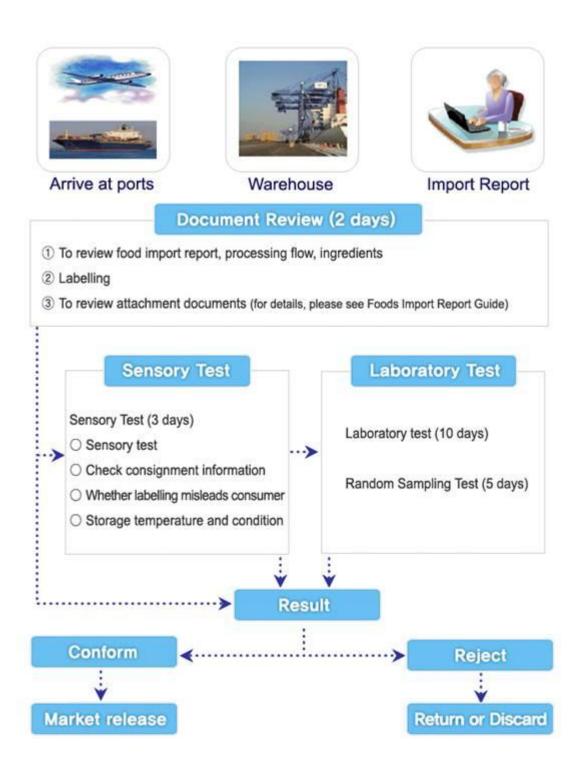
Imports of agricultural products generally must receive clearance from several agencies and are, thus, more likely to encounter port delays than other imported products. Delays can be costly due to the perishable nature of many agricultural products. In addition, other entities may be involved in regulating imports through the administration of licenses or, in some cases, quotas for agricultural products.

KCS is responsible for ensuring that all necessary documentation is in place before the product is released from the bonded area. KCS operates the Electronic Data Interchange (EDI) system, and KFDA operates the imported food network system through its regional and national quarantine offices. The KFDA network system is connected to the EDI system, which permits KFDA inspection results to be transmitted more quickly, thus shortening KCS clearance time. The respective quarantine inspection authorities must clear products subject to plant or animal quarantine inspection before KCS will clear them. The import inspection application must be written in Korean and submitted to the relevant agency.

KCS Import Clearance Procedures



Source: Korea Customs Service



Source: Korea Food & Drug Administration

- 1. The importer or the importer's representative submits the "Import Declaration for Food, etc."
- 2. The type of inspection to be conducted is determined in accordance with the guidelines for inspection of imported food products. The types of inspection that a given food product may be subject to include: document inspection, organoleptic

inspection, laboratory inspection, and random sampling examination.

- 3. If a product is subject to organoleptic inspection, laboratory inspection and random sampling examination, the KFDA inspector will conduct a field examination and take samples for the laboratory test.
- 4. KFDA conducts the conformity assessment from the information collected, using such items as test results, document inspection results, etc.
- 5. If a product complies with the Korean standards, KFDA issues a certificate for import. An importer can clear products with the KFDA import certificate.
- 6. If a product does not comply with the Korean standards, KFDA will notify the applicant and the regional customs office about the nature of the violation. The importer decides whether to destroy the product, return the shipment to the exporting country, or use it for non-edible purposes. If a minor violation can be corrected, as with labels, the importer can reapply for inspection after making the corrections.

For perishable agricultural products, such as fresh vegetable, fruits, etc., an importer can clear the products prior to completion of the laboratory test with a pre-certification authorization from KFDA. In this case, however, the importer needs to be able to track distribution of the given product so the products can be recalled should the laboratory test indicate a violation.

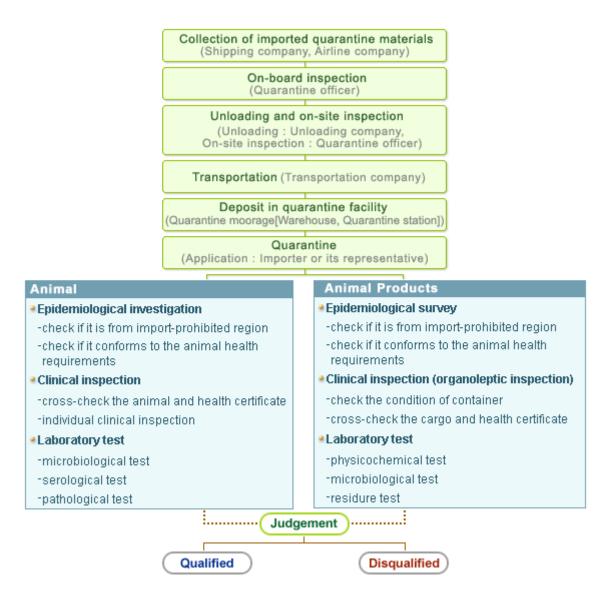
KFDA Inspection Duration

Document Inspection	2 days
Visual Inspection	3 days
Laboratory Inspection	10 days
Incubation Test	14 days
Random Inspection	5 days

C. NVRQS Inspection Procedures

Meat, dairy and egg products are subject to quarantine inspection and the quarantine certificate issued by the National Veterinary Research & Quarantine Service (NVRQS) is required for product clearance NVRQS quarantine inspection procedures are as follows:

NVRQS Quarantine Inspection Procedures



Source: National Veterinary Research & Quarantine Service

NVRQS Inspection Duration:

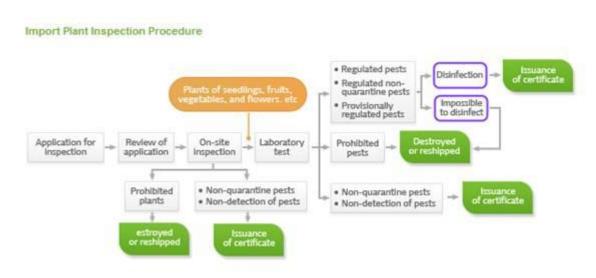
Document Inspection	3 days
Visual Inspection	5 days
Laboratory Inspection	18 days
Incubation Test	18 days

For details about quarantine and inspection of animal and animal products, please refer to the English website provided by NVRQS at: http://www.nvrqs.go.kr/eng/index.asp

D. NPQS Inspection Procedures

Plant products, including fresh vegetable and fruit and grains are subject to plant quarantine inspection, in addition to food

inspection by KFDA. The plant quarantine certificate issued by the National Plant Quarantine Service (NPQS) and the KFDA certificate are required for product clearance. Inspection by NPQS can take place simultaneously with the KFDA inspection Duration of NPQS inspection is usually completed within 10 days unless items are subject to further testing. NPQS quarantine inspection procedures are as below:



Source: NPQS

For details about plant quarantine inspection, please refer to the English website provided by NPQS at: http://www.npqs.go.kr/homepage/english/

Appendix I. Government Regulatory Agency Contacts:

A. Primary Korean Food Agencies

Ministry for Food, Agriculture, Forestry and Fisheries: Overall agricultural policy Bilateral Negotiation and Cooperation Division

MIFAFF

1 Choongang-dong, Kwacheon City

Kyunggi-do, Korea 427-760

Phone: 82-2-500-1877; Fax: 82-2-504-6659

http://www.mifaff.go.kr

Korea Food & Drug Administration: Processed food products

International Trade and Statistics Office

KFDA

#643 Yeonje-ri, Gangoe-myeon, Cheongwon-gun

Chungcheongbukdo, Korea 363-951

Phone: 82-43-719-1551~1553 Fax: 82-43-719-1550

E-mail: wtokfda@kfda.go.kr

http://www.kfda.go.kr

National Veterinary Research & Quarantine Service: Animal, meat, dairy and egg products Quarantine and Inspection Division

NVRQS

480 Anyang 6-dong, Manan-gu, Anyang City

Kyunggi-do, Korea 430-824

Phone: 82-31-467-1741: Fax: 82-31-467-1717

http://www.nvrqs.go.kr

National Plant Quarantine Service: Plant, vegetable, fruit, and grains

International Quarantine Cooperation Division

NPQS

433-1 Anyang 6-dong, Manan-gu, Anyang City

Kyunggi-do, Korea 430-016

Phone: 82-31-420-7662: Fax: 82-31-420-7605

http://www.npqs.go.kr

B. WORLD TRADE ORGANIZATION (WTO) Enquiry Point

Names of the SPS Enquiry Point are as follows;

Animal or plant health or zoonosis (including aquatic animals)

Bilateral Negotiation and Cooperation Division International Agriculture Bureau Ministry for Food, Agriculture, Forestry and Fisheries # 1 Choongang-dong, Kwacheon City Kyunggi-do, Korea 427-760

Phone: 82-2-500-1876; Fax: 82-2-504-6659

Food Safety

Division of Trade Affairs Ministry of Health and Welfare # 75 Yulgong-ro, Jongno-gu, Seoul, Korea

Phone: 82-2-2023-7250 or 7244; Fax: 82-2-2023-7240

International Trade and Statistics Office Korea Food & Drug Administration #643 Yeonje-ri, Gangoe-myeon, Cheongwon-gun Chungcheongbukdo, Korea 363-951

Phone: 82-43-719-1551~1553 Fax: 82-43-719-1550

E-mail: wtokfda@kfda.go.kr

Aquatic Animal Health and Sanitation

Bilateral Negotiation and Cooperation Division International Agriculture Bureau Ministry for Food, Agriculture, Forestry and Fisheries # 1 Choongang-dong, Kwacheon City

Kyunggi-do, Korea 427-760

Phone: 82-2-500-1876; Fax: 82-2-504-6659

C. Websites for other Important Agencies

Ministry of Environment: http://www.me.go.kr

Ministry of Knowledge Economy: http://www.mke.go.kr Rural Development Administration: http://www.rda.go.kr

National Agricultural Product Quality Management Service: http://www.naqs.go.kr

Korea Forestry Administration: http://www.foa.go.kr Korea Rural Economic Institute: http://www.krei.re.kr Korea Industrial Property Office: http://www.kipo.go.kr

D. Useful Acronyms

AMS: Agricultural Marketing Service (USDA)

APHIS: Animal and Plant Health Inspection Service (USDA)

COO: Country of Origin

COOL: Country of Origin Labeling

FSIS: Food Safety & Inspection Service (USDA)

FTC: Korea Fair Trade Commission

GI: Geographical Indications

GMO: Genetically Modified Organism KCPA: Korea Crop Protection Agency

KCS: Korea Customs Service

KFDA: Korea Food & Drug Administration

KTA: Korea Tax Administration LMO: Living Modified Organisms ME: Ministry of Environment

MHW: Ministry of Health & Welfare

MIFAFF: Ministry for Food, Agriculture, Forestry and Fisheries

MKE: Ministry of Knowledge Economy

NAQS National Agricultural Product Quality Management Service

NOP: National Organics Program (USDA) NPQS: National Plant Quarantine Service

NVRQS: National Veterinary Research & Quarantine Service

OMIC: Overseas Merchandise Inspection Company

RDA: Rural Development Administration USDA: U.S. Department of Agriculture WTO: World Trade Organization

Appendix II. Other Import Specialist Contacts:

A. U.S. Laboratories Accredited by KFDA

KFDA operates a program that recognizes foreign laboratories as official testing laboratories. This program aims to enhance the efficiency of conducting inspection of imported foods. KFDA authorizes foreign laboratories and recognizes inspection certificates or certificates of laboratory test results issued by these authorized laboratories. As of now, there are two U.S. laboratories listed below that have been authorized by KFDA.

Oregon Department of Agriculture

Export Service Center

1200 N.W. Naito Parkway, Suite 204

Portland, Oregon 97209-2835

Tel: 503-872-6644; Fax: 503-872-6615

E-mail: esc-food@oda.state.or.us

Authorized for food-related testing, such as residue and microbiological testing on food and beverages, food package, and health functional food, which are bound for Korea

Omic USA Inc.

Mr. Ryuichi Kurosawa, President

1200 N.W. Naito Parkway

Portland, Oregon 97209

Tel: 503-224-5929; Fax: 503-223-9436

Authorized for food-related testing, such as residue and microbiological testing on food, beverages, and health functional food, which are bound for Korea

A certificate of inspection from these labs expedites clearance inspections at port of entry in Korea as KFDA recognizes testing results conducted by the labs. It will minimize the chances of product rejection upon arrival.

B. Korean Laboratories Accredited by KFDA

There are 14 Korean laboratories listed below that have been accredited by KFDA for testing of imported food products.

No.	Name	Web Address	Accredited Testing
1	Korea Advanced Food Research Institute	www.kafri.or.kr	Food, Health functional food, Qualitative GMO testing, irradiated food testing
2	Korea Health Industry Development Institute	www.khidi.or.kr	Food & Health functional food, Parasite eggs in food
3	Korea Advanced Food Research Institute – Busan Branch	www.kafri.or.kr	Food & Health functional food
4	Korea Food Research Institute	www.kfri.re.kr	Food & Health functional food
5	Korea Basic Science Institute – Seoul Center	www.kbsi.re.kr	Dioxin
6	Korea Testing Laboratory	www.ktl.re.kr	Dioxin
7	Jeonbuk Bioindustry Development Institute	www.jbdi.or.kr	Qualitative GMO testing
8	Korea Research Institute of Analytical Technology	www.anapex.com	Food & Health functional food, Qualitative GMO testing
9	Korea Health Supplement Institute	www.khsi.re.kr	Food & Health functional food, irradiated food testing
10	Kogene Biotech	www.kogene.co.kr	Qualitative GMO testing
11	Takara Korea Biomedical	www.kgac.co.kr	Qualitative GMO testing
12	SGS Testing Korea	www.kr.sgs.com/kr	Qualitative GMO testing
13	JPNC	www.jnc.co.kr	Qualitative GMO testing
14	Advanced Radiation Technology Institute, Korea Atomic Energy Research Institute	www.kaeri.re.kr	Irradiated food testing