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Dear PCO Certified Operators, Members, and Inspectors,

New Requirements: Korea Export of Organic Products

There are two upcoming changes to the requirements for products being exported to Korea, which include labeling and Korea's import certificate.

In December 2020, Korea published its new Enforcement Rule of the Act on Promotion of Environmental Friendly Agriculture and Fisheries and Management and Support for Organic Food, etc. (Environmental Friendly Act). This rule contains organic labeling requirements that may impact U.S. operators exporting organic products under the U.S.-Korea Organic Equivalence Arrangement. These new labeling requirements will begin being enforced on **January 1, 2022**. This allows time for operators that need to transition their labels. Korea also clarified that compliance with its labeling requirements can be demonstrated on an imported product's original labeling or a Korean language sticker affixed to the product.

The key changes in the rule impact organic products that contain non-organic ingredients. For these products, the new rules require that:

- The non-organic ingredient name cannot be part of the product name.
- The total percentage of organic ingredients or the percentage of each ingredient used in the product must be indicated in ingredients list.

To illustrate the above changes let's look at an example using an organic apple strawberry puree. Below shows two ways of labeling to comply with the second bullet point.

A. Ingredients list: organic apple (78%), organic strawberry (21%), natural flavor (banana flavor), ascorbic acid

B. Ingredients list: *apple, *strawberry, Natural flavor (banana flavor), ascorbic acid. *Contains 99% organic ingredients

To comply with the first bullet point using the same organic apple strawberry puree example, the banana flavor cannot be used as part of product name.

The two new labeling requirements do not apply to organic products that contains 100 percent organic ingredients.

Additionally, as a reminder the use of organic seals under the U.S.-Korea Organic Equivalence Arrangement is as follows:

USDA organic products that comply with the U.S.-Korea Organic Equivalence Arrangement may display the USDA organic seal and/or Korea's Ministry of Agriculture, Food and Rural Affairs (MAFRA) organic seal. USDA organic products traded under the U.S.-Korea Equivalence Arrangement cannot display the organic seal of other countries. The only exception to this is in cases where the USDA product is also directly certified under another country's organic standards. In these cases, the relevant organic certificate is required for Korean customs clearance.

Lastly the e-NAQS Import Certificate System (electronic import certificate system) is developed and ready for use. PCO is beginning to transition to this new system for issuing Korea import certificates (for products being exported from the US to Korea). Until December 31, 2021 the NAQS Import Certificate is still allowed to be issued on paper. Furthermore, even after fully transitioning to the e-NAQS system, until further notice, the original copy of the NAQS Import Certificate, which is printed through the new system, must be presented together with the exported products to the point of entry. Only certification bodies (e.g. PCO) and inspectors will have access to the new e-NAQS system; certified operations will not. Therefore, PCO is developing a NAQS Certificate Request Form for PCO certified operations to complete including various pieces of information and documentation so that PCO can enter this information into the e-NAQS system, verify compliance and issue the certificate. If you will be exporting to Korea, please let PCO know with as much advanced notice as possible so that we can ensure:

- PCO has enough time to set up certified operations in the e-NAQS system
- timely completion of the NAQS Request Form by the PCO certified operation
- timely completion and issuance of the e-NAQS Import Certificate by PCO (using the info provided by the PCO certified operation via the request form)

For more information visit NOP's Korea International Trade webpage (<https://www.ams.usda.gov/services/organic-certification/international-trade/Korea>). You may also contact your Certification Specialist if you have additional questions.

Reminder: Changes to US-India Trade

Earlier this year NOP terminated its recognition agreement with India, which means that all organic operations will now be required to be certified directly to the USDA organic regulations by an NOP accredited certification agent.

Here is a recap of the implementation timeline:

- As of **July 12, 2021**, businesses in India wishing to export organic products to the US must have applied for USDA-NOP certification.
- By **July 12, 2022**, all organic products being exported to the United States from India must be certified organic to the USDA-NOP and have a valid organic certificate.

If you are buying organic products from India in order **to continue accepting products from those suppliers, you will need to use the Organic Integrity Database to verify that any organic supplier is already certified or has applied for organic certification with a USDA-accredited certifier**. This verification process and how your operation implements it will be reviewed by your Certification Specialist and checked at your annual inspection.

Reminder: Requesting Export Certificates from PCO

As a reminder, prior to exporting certified organic product outside of the US, a PCO-certified operation must:

1. Complete and submit to PCO an International Trade Supplement for OSP.
2. Indicate on the Product Profile of specified products which country you plan to export product(s) to. Submit all applicable labels to PCO for review and approval.
 - a. *Products for export, produced and certified to foreign national organic standards or foreign contract buyer requirements, may be labeled in accordance with the organic labeling requirements of the receiving country or contract buyer: Provided, That, the shipping containers and shipping documents meet the labeling requirements specified in §205.307(c).*
3. Have the compliance program indicated on your Organic Certificate Addendum (OCA) for trade equivalency arrangements.
4. Indicate to PCO when a specific shipment is being exported, prior to the export of the product, through the completion of the appropriate export document. See below for country specific requirements.
 - a. **Failure to contact PCO prior to export or shipment may result in a noncompliance.**
5. Pay applicable fees.
 - a. Effective **January 1, 2020**, PCO has instituted an International Export fee of \$250, which applies to operations exporting organic products. This fee also applies to operations who request verification that their organic products meet the terms of an equivalency arrangement between the US and another country. Please contact your Certification Specialist if you have questions about whether this fee is applicable to your operation.

Sincerely,
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