AUSTRALIAN FOOD & GROCERY COUNCIL





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Australia-Korea FOUNDATION

Understanding Regulatory Requirements for Food and Beverage Exports to Republic of Korea

29 September 2021

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Department of Agriculture, Water and the Environment

Overview of Korea's imported food regulations

Jenny Baldwin September 2021



Overview of presentation

- Introduction of Agriculture Section at Australian Embassy in Seoul
- Objectives of presentation
 - Help you understand regulations and key laws relating to imported foods
 - Food safety and sanitary/phytosanitary requirements
 - What you might encounter
 - Product registration, foreign food facilities registration, audit powers
 - Recent changes
 - and what might be coming...
 - Common mistakes
 - And how to avoid them!
 - Where to get further information



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Agriculture Section - Australian Embassy, Seoul

Our team:

Emma Hatcher – Agriculture Counsellor Jenny Baldwin – First Secretary, Agriculture Eunkyung Kim – Senior Research Officer Keumjo Shim – Senior Research Officer



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Our work:

- develop and deliver agriculture-related trade strategies, policies and actions to increase, improve and maintain market access to assist industry grow to a \$100 billion agricultural sector by 2030
- undertake technical market access negotiations and market improvements
- provide information and analysis on relevant matters and respond to emerging issues.

ROK agencies responsibilities for imported food

Ministry of Food and Drug Safety (MFDS)

Responsible for public health and food safety (including livestock, plant and fisheries)



Ministry of Agriculture, Food and Rural Affairs (MAFRA)

• Responsible for all agricultural policy and quarantine inspection of agricultural products, animal health issues and disease control

Animal and Plant Quarantine Agency (APQA) under MAFRA

• Responsible for the quarantine and inspection of imported animal and plant products

National Fishery Products Quality Management Service (NFOS) under Ministry of Oceans and Fisheries

Responsible for quarantine and inspection of exporting and importing fish and fishery products

National Agricultural Products Quality Management Service (NAQS) under MAFRA

Responsible for organic food

Ministry of Environment (ME)

Responsible for recycling and packaging of goods including food

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Key legislation on imported foods

1. Special Act on Imported Food Safety Management

- Covers imported agricultural (animal and plant) and food products
 - Safety control for the entire cycle from production, importation and distribution.
- Sets out registration and certification obligations, audits, border testing etc.



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Requirements under the Special Act

- Definition of food
- Product categorisation
- Foreign food facilities registration
- Audit powers
- Border inspection and testing refer to diagram



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What you might expect with South Korea's Imported Food Safety System



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Key legislation on imported foods

2. Act on the Labelling and Advertising of Food, and Food Labelling Standards

- requires the labelling of product name, ingredients, manufactured and expiration dates (quality retention date), net contents, identity and principle place of business, and nutrition information, as well as sanitary instructions for safe storage and warnings on the packaging and container.
- Labelling requirements and claims requirements
- <u>Genetically modified organisms (GMO)</u> and organics (NAQS), and recycling/packaging (ME) also have labelling standards.

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Key legislation on imported foods

3. Food additive requirements



i. Standards and specifications of manufacturing, processing, using and preserving food additives.

4. Chemical residues - Positive List System (PLS) – <u>Korea's</u> <u>MRL database</u>

- i. A default of **0.01mg/kg** applies for non-registered MRLs
- ii. Temporary MRLs for agricultural products and foods will be removed on 1 January 2022.

* Note the English versions are not up to date and make sure to check the up-to-date information on <u>MFDS' Korean</u> website or/and with commercial partners prior to exports.

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Recent changes to regulations

<u>1. Revised foreign food facility (business)</u> <u>registration procedure</u>

* Registration link: <u>https://impfood.mfds.go.kr/?locale=en_EN</u>.

2. Revised detailed inspection (lab testing) period

- Food products that underwent a detailed inspection for the first consignment and had a random sampling conducted within 5 years are subject to a detailed inspection after 5 years from the date of random sampling (from previously detailed inspection).
 - e.g. 2017 detailed inspection 2019 random sampling 2024 detailed inspection

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11

Recent Changes to Regulations

3. Recycling Regulations

Responsible ministries and agencies - Ministry of Environment (ME) – <u>www.me.go.kr</u> and the Korea Environment Corporation (KEC) – <u>www.keco.or.kr</u>

- A number of related notices and regulations have been introduced since Dec 2019.
- Materials and structures of packaging are required to be graded and evaluated according to their recyclability with this grading marked on the labels of the products.
- Packaging materials need to be evaluated and classified into <u>4 grades</u> <u>excellent</u>, <u>good</u>, <u>normal</u>, and <u>difficult</u> to recycle.

More information can be found on the ME website and with your commercial partners in Korea.

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What other changes may be coming?

Amendments to Labelling Standards for Foods



- Korea advised the WTO on 15 Sept. of proposed amendments to the Labelling Standards of Foods
- Comment period finishes on 11 October 2021
- Amendments include:
 - 1. Requires statement of (a) the production year, (b) the production date (day, month and year) or (c) the packaging date (day, month and year) of foods in natural state.
 - 2. Recommends statement of the production date (day, month and year) of foods in natural state—not frozen, dried, salted or heat processed—packed in transparent packages.
 - 3. Recommends statement of net quantity of foods in natural state packed in transparent packages.
 - 4. A separate sign can be used for foods in natural state directly portioned and packed onsite in transparent packages and sold to final consumers.

Comments on this proposed amendment can be provided through the WTO TBT Enquiry Point of DAWE

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Common mistakes and take-home messages

- Korea is a rules-based market <u>understand what Korea's import requirements are and</u> <u>comply</u> (to avoid costly outcomes)
 - If you've exported your products to other markets, don't assume Korea has the same rules
- **<u>Partner with an experienced importer</u>** who fully understands Korea's requirements and work closely with your importer to make sure all the import requirements are met.
- Korean government agencies are diligent regulators <u>act early if you know there is a</u> <u>problem</u> (don't assume things won't be picked up).
- <u>Contingency plans during COVID-19</u> in case of container shortages, disrupted freight schedules and potential delay in arrival of export documents.

List of Key Legislation and Regulations

- 1. <u>Special Act on Imported Food Safety Management</u>
- 2. Act on the Labelling and Advertising of Food and Food Labelling Standards
 - i. Including labelling requirements and claims requirements
- 3. <u>Genetically modified organisms (GMO)</u> and organics (NAQS)
- 4. Recycling/packaging (ME) labelling standards.
- 5. <u>Food additive requirements</u>.
- 6. Positive List System (PLS) Korea's MRL database
- 7. Revised foreign food facility (business) registration procedure
- 8. <u>Recycling Regulations</u>
- 9. Proposed amendments to Labelling Standards for Foods

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Where to get further information

Ministry of Food & Drug Safety: Overall safety policy and inspection of food and livestock products International Cooperation Office, MFDS Phone: 82-43-719-1551~1553; Fax: 82-43-719-1550 E-mail: intmfds@korea.kr http://www.mfds.go.kr

Ministry of Agriculture, Food and Rural Affairs: Overall agricultural policy

General Division of International Cooperation, MAFRA Phone: 82-44-201-2034; Fax: 82-44-868-0431 http://www.mafra.go.kr

Animal and Plant Quarantine Agency (Headquarters): Overall quarantine measures Phone: 82-54-912-0416 for animal quarantine issues and +82-54-912-0601 for plant quarantine Issues http://www.qia.go.kr

Australian Department of Agriculture, Water and the Environment: Micor system

Phone: +61 1800 900 090 http://micor.agriculture.gov.au



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Australian Trade and Investment Commission

Industry packaging requirements and preferences

29th of September 2021

Helen Oh, Trade Commissioner Austrade Seoul

Environment and Sustainability



- Importers may prefers attractive, colourful label to attract online buyers
- SNS is becoming a vital marketing tool (Youtube, Ticktock, Instagram)
- Duration of marketing cycle reduces \rightarrow May lead regular update on label design

Korean buyers' preference on packaging _ Beverage

Companies are beginning to remove plastic label on the bottle, encouraging consumers to recycle, while creating environmentally friendly image

Example Lotte Chilsung



Korean conglomerate, Lotte, is running a campaign with its partners to recycle their no label plastic bottle drinks.

Key trend in Korean market is plastic reduction and majority of companies are announcing their action plan to the public.

Korean buyers' preference on packaging _ Dairy

Retailers prefers to use 'clean label' to create healthier image. No label is also a new trend for most companies.

Example Binggrae



Major dairy company, Binggrae indicates number of ingredients used for the product. Example Pulmuone



Pulmuone launched its first no label yogurt in June 2021. Additional product range will also be launched without the label.

Korean buyers' preference on packaging _ Snack

Products tend to keep similar label design for the brand image whereas some products continue develop unique shape and colourful design

Example Nongshim

Example Orion





Korean style prawn cocktail had almost same label for last 42 years. Orion introduces seasonal label and packing every often to attract young consumers

Korean buyers' preference on packaging _ Healthy Snack

Fact based label: contents of key ingredients and its unique selling point

Example Daesang protein bar



Korean buyers' preference on packaging _ Meal Kit

Producers prefer to present fresh ingredients and image of the final meal. Labels are usually colourful to attract shoppers.

Example Chefood

Example GS 25







Korean buyers' preference on packaging _ Frozen Food

Prefers printed label on the packaging. If retailers have to use stickers, they prefer stickers made with Polypropylene (P.P. stickers)

Example Printed label Sticker labels





They are aware that exporters usually have MOQ for the printed label and willing to negotiate available options. Importers may prefer P.P stickers as they are not easily teared or changed over time.

Example Printed label Sticker labels

Other preferences

- Australia's general reputation in Korea is a producer of high-quality and safe food \rightarrow Importers may like to emphasise such image on the label
- Korean summer is very hot and humid; Korean retailers may prefer strong packaging and label against weather condition.
- Korean retailers tend to purchase products that has longer than 6 months of shelf life, especially for new to the market products as it is difficult to anticipate sales.



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MFDS Foreign Food Facility Registration

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29th of September 2021 Monica Lee, Business Development Manager Austrade Seoul

MFDS Foreign Food Facility Registration

Korea's MFDS requires registration of 'foreign food facilities' for food safety and traceability

Products	Type of registration	Who	Where and When
Processed food Food additives Health food supplement	Food facility registration (processing factory location)	Exporter/Importer	For new exporter, MFDS before exporting
Agricultural products - Grains - Fruits - Vegetables	Food facility (Pack house) registration	Exporter/Importer	For new exporter, MFDS before exporting
- Nuts Seafood	Exporter registration	Importer	For new exporter, name of company, contact details and address should be registered during import process at import management division in regional MFDS office.
Livestock products - Meat - Dairy products	Livestock establishment registration	Government to government registration	Contact DAWE

Note : Ministry of Food and Drug Safety (MFDS), Animal and Plant Quarantine Agency (APQA)

How to register

Create your ID

- 1. Go to <u>https://impfood.mfds.go.kr/?locale=en_EN</u> (1)
- 2. Create your ID/Password



How to register

Go to a registration page

- 1. Click Petition Application
- Click Foreign food facility detail info



How to register

Download information and start registration

Download	Minist Drug S	ry of Food and afety	Petition Application Import Inspection Process Health Certificate Gener				
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• Ministry of Food and Drug Safety	Foreign	food Facility De	etail Info Process of Foreign Food Fa	acility Registration (Download)) (2)		
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Registration Process of		-				APPLY	
		Application for Registra	COMPLAINTS NAME	Department	PERIOD		

- 2. Read carefully and follow each step
- 3. Click No. 1 Apply box to start registration

Frequent Questions

- I don't have a Korean importer yet, but can I register in advance?
 - If you have a plan to export to Korea, you can register your food facility in advance before exporting.
- How long does it take for approval after submitting registration?
 - MFDS approves your application within 3 days if your documents are well prepared.
- I submitted the application form, but my company has not registered yet.
 - If your application is not accepted, MFDS sends you feedback with reasons.
 - Your can find their reply in MY PAGE after login. You can submit additional documents or correct your information in registration page.
- I am exporting products produced by other manufacturer. In that case, should I register my office or factory address of this manufacturer?
 - Your manufacturer's name and factory address should be registered. No need to register your company.

- My company was registered with MFDS. I used to export products produced in A factory, but I will export products produced in B factory this time. Should I register B factory?
 - If a single company runs multiple facilities(factories), each facility must be individually registered with MFDS. You can add a new facility with an official statement/letter from the manufacturer.
- We moved our facility to new location. How can I correct it in MFDS?
 - If your facility relocates, it must be newly registered rather than going through a registration update.

• Minor spelling mistake in email address. How can I correct the details with MFDS?

- Please go to application for updating registration of foreign food facility.
- Correct your email address and attach an official statement letter from manufacturer as needed.

Search for Registration Information

 You may search for your registration status by entering one of the following: Registration Code, Name of Facility or Address.

Ministry of Food Drug Safety	and	Petition	Application	Import Inspecti	ion Process	Health Certi	ficate G	ieneral guide
 Petition Applic 	ation •	Foreign food Facilit	y Detail 🔹 🕨	Foreign Manufact	turers' View	•		
Foreign Manu Registration Code Country		View	Name of Fa Add	cility				Q Search
Type of Food		✓ nufacturer under the nt			nufacturing Estab itation Control	lishment of Food !	Subject to	

Registered manufacturers that fall under the Arrangement on Fishery Products are not affected by expiration date. Yet, the expiration date applies to importing food products except fishery products.

Total 87,	Fotal 87,880 .					
Ne	No Code Manufactu	Fishery	Name of Facility	C	Registration date	Expiration date
NO		number	Address	Country		
	1 TH000007193	JUMBO TRADING CO., LTD.				
1			246, MOO 7, TAMBON HUASAMRONG, AMPHOE PLAENG YAO, CHACHOENGSAO	Thailand	2021-09-23	2023-09-22
	2 CN000100199	CN000100199	TIANJIN HONGBO INTERNATIONAL TRADE CO., LTD		2021-09-23	2023-09-22
2			NO.581, YICHANG LI, GUANGZHOU ROAD,BINHAI NEW AREA,T IANJIN,CHINA	China		

Thank you



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