

June 30, 2014

Anne L. Alonzo Administrator, Agricultural Marketing Service U.S. Department of Agriculture Sharon Bomer Lauritsen Assistant U.S. Trade Representative, Agriculture Affairs and Commodity Policy Office of the U.S. Trade Representative

Dear Ms. Administrator and Assistant U.S. Trade Representative:

Ministry of Agriculture, Food and Rural Affairs (MAFRA) of the Republic of Korea, has reviewed the United States' program for certification of organic agricultural products produced and handled in accordance with the United States Organic Foods Production Act of 1990 (hereinafter referred to as the OFPA) and National Organic Program (hereinafter referred to as the NOP) regulations. Based on that review, MAFRA has determined pursuant to Article 25 of the Act on Promotion of Environmentally-Friendly Agriculture and Fisheries and Management of and Support for Organic Food (hereinafter referred to as "Korean Organic Food Act"), that certain processed food products produced and handled in accordance with the OFPA and NOP, as in effect on July 1, 2014, are produced and handled under an organic certification program that provides requirements and standards governing the production and handling of such products that are at least equivalent to the requirements of the Korean Organic Food Act.

Accordingly, subject to the conditions set forth in Appendix 1 of this letter, certain processed food products produced and handled in conformity with the OFPA and NOP, as in effect on July 1, 2014, are deemed by MAFRA to have been produced and handled in accordance with the Korean Organic Food Act. These products may be sold, labeled, or represented in Korea as organically produced, including by display of the MAFRA organic seal as well as the organic seal of USDA, under the conditions set forth in Appendix 1.

Korea is also pleased to acknowledge the United States' recognition of the Korean Organic Program in its letter of June 30, 2014. MAFRA and Ministry of Trade, Industry, and Energy are committed to working with USDA's Agricultural Marketing Service and Foreign Agricultural Service and USTR to carry out the terms of the determination as described in this cover letter and in Appendix 1 and the arrangement regarding an Organics Working Group described in Appendix 2.

Sincerely,

Choi, Hee-jong

Deputy Minister for Food Industry Policy Ministry of Agriculture, Food and Rural Affairs Sejong-si, Republic of Korea

Appendix 1

A. The U.S. product must be:

- 1. A "processed food," as defined by Article 1.2.29 of the Korean Food Code, must contain at least 95 percent organic content, and must have its final processing within the United States;
- Certified organic to U.S. Department of Agriculture (USDA), National Organic Program (NOP) regulations, at Title 7, Part 205 of the U.S. Code of Federal Regulations;
- 3. A product that contains no ingredients derived from apples or pears produced with the use of antibiotics;
- 4. Verified by the United States' National Organic Program to be produced and handled without the use of methods and substances prohibited under Title 7, Part 205 of the U.S. Code of Federal Regulations, including prohibited pesticides, irradiation, and genetically modified organisms as defined in these regulations; and
- 5. Subject to residue testing requirements, including testing for prohibited substances and methods, and with subsequent regulatory actions, as appropriate, in accordance with Article 23-2 and Article 31 of Korea's Act on Promotion of Environmentally-friendly Agriculture and Fisheries and Management and Support for Organic Food, in Korea.
- B. A U.S. product covered under Paragraph A above for import into Korea as an organic processed food (hereinafter "U.S. organic processed food") must be labeled according to Korea's Ministry of Agriculture, Food and Rural Affairs (MAFRA) organic labeling requirements, and may display the MAFRA organic seal, or the USDA organic seal, or both.
- C. U.S. organic processed food imported into Korea must be accompanied by a NAQS import certificate of organic processed foods from a NOP-accredited certifying agent that attests to compliance with the terms of this Appendix.
- D. The USDA National Organic Program will conduct periodic audits of NOP-accredited certifying agent using ISO 17011 as a reference.
- E. USDA will notify MAFRA in a timely manner of any instances of the following:
 - 1. Changes with respect to the accreditation status of NOP-accredited certifying agents; and
 - 2. Proposed and final regulations and guidelines in the United States that may affect this Appendix.

- F. Following advance notice from Korea, the USDA will permit MAFRA and Korea's National Agricultural Products Quality Management Service (NAQS) officials to conduct periodic on-site evaluations in the United States to verify that the relevant regulatory authorities and certifying agents of the United States' organic program are carrying out the requirements of that program. The USDA will cooperate and assist both MAFRA and NAQS, to the extent permitted, in carrying out these on-site evaluations, which include visits to offices of relevant regulatory authorities, certifying agent offices, production facilities, and farms that certifying agents have certified in the United States;
- G. USDA will provide to MAFRA the following documents on an annual basis:
 - 1. A report that contains information regarding the types and quantities of U.S. organic processed foods exported to Korea under this Appendix;
 - 2. A report that contains the types of non-compliances identified by the USDA during any oversight reviews or audits, and steps taken by the USDA to ensure that non-compliances were corrected; and
 - 3. A list of certifying agents of USDA's organic system accredited to USDA's organic standards.

Appendix 2

- 1. The United States and Korea are committed to working together in an Organics Working Group consisting of representatives of the United States Department of Agriculture (USDA) and the United States Trade Representative on behalf of the United States and representatives of the Ministry of Agriculture, Food and Rural Affairs (MAFRA) and the Ministry of Trade, Industry and Energy on behalf of Korea.
- 2. The mandate of the Organics Working Group is to promote bilateral trade and to enhance regulatory and standards cooperation between MAFRA and USDA on issues related to organic agricultural products.
- 3. The Organics Working Group should meet no later than one year after the signing of this letter to review operations of the arrangement, discuss the scope of the arrangement, assess progress on identified technical issues, and discuss best practices and other issues related to organic agricultural products. The Organics Working Group expects to meet annually thereafter unless otherwise decided.