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New Organic Legislation developed by Taiwan authority

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Report Highlights:

On November 9, 2015, authorities at Taiwan's Council of Agriculture (COA) released draft legislation regarding the production, marketing, testing, and labeling of organic products, including imported products, as well as regulations regarding organic equivalency between trading partners. The draft text is currently available for local, public review and comment. Taiwan authorities committed to notifying text to the World Trade Organization (WTO) for a 60-day member comment period. An unofficial translation of import-related measures is included in this report.

General Information:

On November 9, 2015, authorities at Taiwan's Council of Agriculture (COA) released draft legislation regarding the production, marketing, testing, and labeling of organic products, including imported products. The United States is Taiwan's #1 foreign source of organic agriculture/food products with trade in 2014 valued at USD \$16 million. Currently, regulation of organic products in Taiwan derives from several different pieces of legislation. Through the new draft legislation, COA authorities seek to streamline all organic regulations and oversight, similar to the USDA's management of organic agriculture under the National Organic Program (NOP).

Of particular interest, the draft text mandates bilateral organic equivalency, effectively reneging any historical (unilateral) organic equivalency recognition that may exist between Taiwan and other trading partners. At this point, no country recognizes Taiwan's organic system, while Taiwan recognizes several, including the United States'. Taiwan applied to USDA's NOP for organic equivalency recognition earlier this year, but NOP has yet to yield a determination.

The draft text is currently available for local, public review and comment. An unofficial translation of those measures potentially relevant for imports has been provided by Post in the following section. Taiwan authorities promised U.S. counterparts the measure will be notified to the World Trade Organization (WTO) for a 60-day member review and comment period as the new regulation will impact U.S. organic exports to Taiwan.

Draft Organic Agriculture Act

According to COA, the purpose of the Act is to encourage the creation of a sustainable agriculture environment and improve the quality of all organic products with consideration for local farmers and consumers.

There are 41 articles in six chapters in the Act.

- Chapter 1 describes the overall principle and definitions of the terms used;
- Chapter 2 is the regulation for the encouragement (or promotion) of organic agriculture;
- Chapter 3 is the management of accreditation and certification body (mainly for local certification body);
- Chapter 4 is the management of organic agricultural product;
- Chapter 5 is the penalty for violations, and
- Chapter 6 is appendix.

Website in Chinese: <http://www.afa.gov.tw/Public/news/20151191548167055.doc>

Unofficial Translation of Import Measures:

Chapter 4: management of organic agriculture product

Article 15: Central competent authority shall announce the materials that shall be used in organic agriculture.

Beside the materials announced by central competent authority in the preceding paragraph, genetic modified products, chemical pesticides, chemical fertilizers, veterinary drugs, and other chemical materials (hereinafter referred to as “biochemical materials”) shall not be used in the production, processing, packing, distribution, and marketing of organic agricultural product and the products that is under organic transitional period.

The agricultural product operator shall take necessary precaution to ensure that the organic agricultural product and the products that is under organic transitional period can not contain any biochemical materials in the production, processing, packing, distribution, and marketing.

Article 17: Imported products shall be labeled or advertised under the term of “organic” in accordance with the organic regulations prescribed by:

- 1. The products are approved by the organic agricultural certification in designated country from the domestic or foreign certification bodies which has been approved by accreditation.*
- 2. The products are approved by the domestic certification from the certification bodies which is accredited by the nations with organic equivalence or the members of world trade organization and the importer shall complete the application for certification documents to approve the imported organic (hereinafter referred to as “approved document”) from central competent authority.*

In the preceding subparagraph 2, the nations with organic equivalence or the members of world trade organization shall be announced by the central competent authority after signing a bilateral organic equivalent mutual recognition agreement or arrangement to the Republic of China (Taiwan).

The application requirements, review procedures, labeling and other relevant regulations of administration for imported organic agricultural products as mentioned in the preceding subparagraph 2 shall be mandated by the central competent authority.

Chapter 6: Appendix

Article 37

Before implementation of this Act, the equivalent nations which have been announced by central competent authority shall be subject to the revocation of its organic equivalence if those nations have not signed a bilateral organic equivalent mutual recognition agreement or arrangement to Taiwan within a year after the implementation of this Act.

Those organic agricultural products, which has been certified by the national accredited certification bodies that has been subjected to revocation of its organic equivalence by central competent authority in the preceding paragraph and also imported after reviewing for its approval before taking effect to revocation of organic equivalence, still could be labeled, demonstrated or advertised as the term of “Organic” after taking effect to revocation of organic equivalence.

