

Voluntary Report – Voluntary - Public Distribution

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Report Name: Organic Trade Expansion Expected Under US Taiwan Organic Equivalency Arrangement

Country: Taiwan

Post: Taipei

Report Category: Special Certification - Organic/Kosher/Halal

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Report Highlights:

Taiwan is the fifth largest export market for U.S. organic products, reaching over \$90 million in sales in 2019. Thanks to the May 2020 equivalence arrangement between U.S. and Taiwan, U.S. organic sales in Taiwan are forecast to grow by almost 50 percent between 2020 to 2025.

Content:

Effective May 30, 2020, the United States and Taiwan reached to a new organic equivalence arrangement that allows organic products certified in the United States or Taiwan to be sold as organic in either market. The core benefit is to eliminate the need for organic operators to have individual organic certification to U.S. and Taiwan standards, thereby avoiding a double set of costs for inspections and required recordkeeping.

The arrangement applies to products certified to the U.S. Department of Agriculture (USDA) National Organic Program (NOP) organic standards or Taiwan organic regulations grown or produced in the United States or Taiwan; or have their final processing or packaging in the United States or Taiwan.

The synergistic benefit from this settlement provides more options to U.S. and Taiwan producers to source a wide range of fresh ingredients or processed products certified to U.S. or Taiwan standards. **In addition, the arrangements also created new market access opportunities for U.S. organic livestock and other products, such as alcohol or products made with apicultural ingredients that were previously not permitted in Taiwan.**

According to USDA's limited organic harmonized tariff (HS) codes for perishable produce, Taiwan was the fifth largest export market for U.S. organic products in 2019. As the tailored HS codes do not cover full the spectrum of organic exports, the Organic Trade Association and OAA Taipei estimate that the full U.S. organic sales to Taiwan approached \$92 million in 2019 and are forecast to grow by almost 50 percent over the next five years due to the advantages conferred by the equivalency arrangement.

General Guidance of U.S. organic products exported to Taiwan

All imported U.S. organic products must apply to Taiwan's organic authority (the Council of Agriculture's Agriculture and Food Agency (AFA)) for export certificate (TM-11) review prior to entry onto the retail market. Upon completion of the review, the product will be provided a number that must also appear on packaging before it can be sold in Taiwan. Imported U.S. organic products must meet the labeling requirements for organic agricultural products in Taiwan, in accordance with Article 18 of the Organic Agriculture Promotion Law. Detailed instructions can be found in the AFA and NOP references listed below. OAA Taipei encourages industries with interest in the Taiwan organic market to reach out to the Taipei Office of Agricultural Affairs for further guidance regarding policy or regulations at agtaipei@fas.usda.gov or marketing at atotaipei@fas.usda.gov.

References

USDA Agriculture Marketing Service (AMS)/ National Organic Program (NOP) International Trade Page -Taiwan -- <https://www.ams.usda.gov/services/organic-certification/international-trade/Taiwan>

Taiwan Agriculture and Food Agency organic agreement reference document:

<https://www.afa.gov.tw/cht/index.php?act=download&ids=113874>

Additional Notes:

The United States currently maintains organic equivalence arrangements with Canada, the European Union, Japan, Korea, and Switzerland.

Taiwan currently has organic equivalence arrangements with Australia, Japan, Canada, and New Zealand.

Attachments:

No Attachments.