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Country Report

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Report Highlights:

Since its European Union (EU) accession in 2004, Lithuania has consistently harmonized its domestic food and agricultural regulations with EU standards. Post advises stakeholders to consult with Lithuanian importers and/or buyers to ensure current requirements are met. Post also recommends that the following report be read in conjunction with the EU Food and Agricultural Import Regulations and Standards (FAIRS) report, prepared by the U.S. Mission to the EU's Office of Agricultural Affairs (OAA).

Disclaimer:

The following report was prepared by U.S. Embassy Warsaw's OAA, which has regional responsibility for Lithuania, for exporters of U.S.-origin food and agricultural products to Lithuania. While every effort was taken during preparation, Post cannot guarantee complete accuracy due to policy changes since publication, or because clear and consistent information about these policies was unavailable. Post recommends that U.S. exporters verify all import requirements with their foreign customers before shipping any goods. Final import approval of any product is subject to the importing country's rules and regulations as interpreted by border officials at the time of product entry. This report also should be read in conjunction with the 2020 EU FAIRS report, prepared by the U.S. Mission to the EU's OAA, and can be found on this website. FINAL IMPORT APPROVAL OF ANY PRODUCTS IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY.

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Executive Summary:

Lithuania follows all EU regulations and directives. Post recommends that this report be read in conjunction with the 2020 EU FAIRS report produced by the U.S. Mission to the EU in Brussels in Belgium, available on the <u>FAS GAIN Report Database</u>. U.S. exporters should be aware that some interpretational variations can appear between EU Member States (MSs). This report outlines specific requirements for food and agricultural product imports into Lithuania.

Country Overview:

Lithuania acceded to the EU in 2004 and has since experienced significant economic development. Increasingly robust consumer demand for imported food and agricultural products is driven by Lithuania's growing middle class. Lithuania adopted the euro in 2015.

According to the International Monetary Fund, Lithuania's gross domestic product (GDP) is expected to decline by 8.1 percent in 2020 following COVID-19's negative affect on the macroeconomy. The latest World Bank data shows that about 22.2 percent of Lithuanians are living below the national poverty line. Hotels, restaurants, art and entertainment venues, transportation companies, and many small

businesses have closed their doors in the wake of COVID-19 mitigation measures, despite Government of Lithuania (GOL) financial support.

Lithuanian agriculture is mostly focused on meat, dairy, and cereal grain production. Among the Baltic States, Lithuania has the most favorable climatic and soil conditions for agricultural production. The main crops include wheat, barley, rye, sugar beets, and potatoes. Livestock production is dominated by hogs and beef and dairy cattle.

Lithuania is a net exporter of agricultural and food products. Total 2019 imports of food, agricultural, and forestry products reached \$4.1 billion, while exports of these products reached \$5.5 billion. Nearly 80 percent of its food and agricultural imports and almost 70 percent of its exports are traded with other EU markets.

In 2019, U.S. food and agricultural exports to Lithuania reached \$76.1 million, 50 percent of which were fish and seafood products. U.S. products with strong market potential in Lithuania include fish and seafood, wines, distilled spirits, tree nuts, and food processing ingredients.

Section I. General Food Laws:

Lithuania follows EU regulations governing agricultural imports, as per the EU's single market principle, including Regulation EC/178/2002, the EU's General Food Law (GFL). U.S. exporters should be aware that some interpretational variations can occur between MSs. While EU regulations generally mandate national regulatory objectives, and often within a certain time frame, MSs can determine their own national implementing regulations. The GOL regulates all domestic food and agricultural stakeholders and ensures their compliance with all requisite EU standards and regulations.

In 2019, the European Commission (EC) amended the GFL after a 'fitness check' and determined that ineffective risk-communication procedures had negatively affected consumer trust regarding risk management decisions. The EC also issued Regulation 2019/1381 in June 2019 regarding transparency and sustainability of its risk assessment methodology. Regulation 2019/1381 aims to improve risk communication by creating a public register of private-sector research commission for approvals of genetically engineered (GE) products, novel foods, food and feed additives, plant protection products, and food packaging.

The two EU regulations, which provide the basis of the EU's border control requirements for food and agriculture and apply to all MSs irrespective of national implementing regulations are:

- Regulation of the European Parliament and of the Council (EC) No 2016/2031 of 26 October 2016 on protective measures against plant pests. Current consolidated version of the Regulation can be found here">here.
- Regulation of the European Parliament and of the Council (EC) No 2017/625 of 15 March 2017 on official controls and other official activities carried out to ensure the application of food and feed law and rules on animal health and animal welfare, plant health and plant protection products. The Regulation repeals former Regulation 882/2004. Current consolidated version of the Regulation can be found here/beta/2004/.

The GOL regulates and enforces food and agricultural regulations via the Ministry of Agriculture (MinAg), the State Food and Veterinary Service (SFVS), the Ministry of Health, and the Ministry of

Economy (MOE). SFVS is the competent authority with overall responsibilities for food and feed safety, animal health and welfare, and animal breeding. SFVS enforces food laws and regulations for commodities and other raw materials, processed foods, and feeds. SFVS ensures food and feed safety and free movement throughout the EU by ensuring that quality, labeling, and other requirements adhere to EU and Lithuanian regulations. Following a MinAg reorganization in 2019, one part of the State Animal Breeding Authority was moved from MinAg to SFVS. MinAg develops and enforces laws and guidelines pertaining to food quality (raw and processed), plants, and organic foods.

The MOE regulates market policy in Lithuania, including implementing EU requirements. Regulations governing the movement of the food within Lithuania and the EU can be found via the Seimas of The Republic of Lithuania website.

Other Relevant Lithuanian Food Laws include:

- Law on Veterinary Activities (December 17, 1991, No I-2110 amended October 7, 1999)
- Law on Animal Welfare and Protection (October 03, 2012, No. XI-2271)
- Law on Product Safety (June 01, 1999, No. 64-2324, consolidated version: May 07, 2001)
- Law on Food, of April 04, 2000 No VIII-1608, as last amended on 18 December 2014 No XII 1491. Consolidated version, valid as of July 01, 2015, you can see here.
- Law on Consumer Protection (November 10, 1994, No. I-657, consolidated version: from 01/01/2016 to 29/02/2016), as last amended on June 2015 _No XII-1867.
- Law on Seed Cultivation (November 15, 2001, No. IX-602, consolidated version: December 10, 2004).
- Law on Plant Protection (October 19, 1995, No. I-1069, consolidated version: June 04, 1998),
- Law on Alcohol (April 18, 1995, No I-857, consolidated version: February 07, 2013)
- Law on Environmental Protection (January 21, 1992, No. I-2223, consolidated version May 28, 2010), as last amended on 14 May 2015 No XII-1718.

Section II. Labeling Requirements:

Lithuanian food labeling requirements, standards, and specifications are based on EU requirements, chiefly Regulation 1169/2011 of the European Parliament and Council regarding food information for consumers (FIC). Mandatory nutritional declarations under the FIC entered into force on December 13, 2016. In June 2018, the EC published updated guidance on FIC implementation. Lithuania uses EU product of designated origin (PDO), geographic indication (GI), and traditional specialty guaranteed (TSG) protections for some products. More information on labeling requirements can be found on FAS USEU's website.

To assist stakeholder compliance with EU food labeling rules, the EC, several MSs, and EU industry bodies have published the following documents:

- EC: Notice on questions and answers on the application of Regulation 1169/2011 on the Provision of Food Information to Consumers (June 2018)
- EC: <u>Infographic on the labeling rules</u>
- Food Drink Europe (EU Food and Drink Industry Confederation): <u>Guidance on the Provision of</u> Food Information
- FoodDrink Europe (EU Food and Drink Industry Confederation): <u>Guidance on the Provision of Food Information to Consumers</u>

Compulsory Information

Article 9 of FIC Regulation 1169/2011 established the mandatory food and beverage label declarations:

- Name of the food
- List of ingredients
- Allergens listed in Annex II
- Quantity of certain ingredients or category of ingredients
- Net quantity of the product
- Date of minimum durability or "use by date"
- Any special storage conditions and/or conditions of use
- Name of business name and address of the food business operator under whose name the food is marketed. If that operator is not established in the EU, the name and address of the importer
- Country of origin or place of provenance as per provisions under Article 26
- Instructions for use where it would be difficult to make appropriate use of the food in the absence of such instructions
- Alcoholic strength by volume for beverages containing more than 1.2% by volume of alcohol
- Nutrition declaration
- Minimum font size for printing label/sticker is set at 1.2 mm

FIC Regulation 1169/2011 legislation establishes label visibility, font size, font and background contrast, and obligates labeling disclosures for products with allergens (*e.g.* peanuts or dairy). It also requires country of origin labeling (COOL) for fresh pork, poultry, goat, and sheep meat, nutritional information for processed foods, and consumer information to distinguish between products and like-products produced from different ingredients (*e.g.* 'cheese-like' products).

Food products intended for retail, hotel, restaurant, and institutional (HRI) sales must comply with labeling requirements. Food labeling, presentation, and advertising cannot mislead consumers about health claims, including characteristics, effects, and attributes related to disease prevention, treatments, or cures.

Flavorings

Annex III to the labeling directive designates flavoring agents in the list of ingredients. Specific requirements for the use of the term "natural" to describe a flavoring are established in Article 16 of European Parliament and Council Regulation No. 1334/2008. For more information see Section IV "Food Additive Regulations."

Organic Labeling

Organic labeling is overseen in Lithuania by the Ekoagros Company, a parastatal company founded by the Ministry of Agriculture. Ekoagros is internationally accredited by the International Federation of Organic Agriculture Movements. Lithuania has a patented certification label for Lithuanian organic products. Lithuania follows all EU organic standards and regulations.

EU organic legislation covers wine via EC Implementing Regulation No. 203/2012, which establishes criteria for organic wine labeling. Sorbic acid and desulfurization are not allowed and sulfite levels must be at least 30-50 mg per liter lower than nonorganic wines. Regulation 203/2012 was published in

March 2012, just one month after the United States and the EU signed the Equivalency Arrangement, which did not include organic wine. U.S. organic wines which meet the EU's organic wine standards can enter the EU.

Wine Labeling

Chapter II of Regulation (EC) No. 607/2009 establishes the standards for PDO and GI wines. Authorized PDOs and GIs are entered in the EU's 'Register of Protected Designations of Origin and Protected Geographical Indications'. The registrar is available online through the EC's E-Bacchus database.

Chapter III of Regulation No. 607/2009 establishes that descriptors such as 'style', 'type', 'method', 'as produced in', 'imitation', 'flavor', 'like' or 'similar' in conjunction with a protected traditional term is not allowed.

Chapter IV of Regulation No. 607/2009 establishes compulsory and optional information on wine labels. Mandatory information must appear in the same field of vision on the container in such a way that all the information (except the lot number) is readable without having to turn the container. Mandatory information must be clearly distinguishable from surrounding text or graphics.

The indication of the grape variety on the label is optional. For non-EU wines, the grape variety must be included in at least one of the lists established by the International Organization of Vine and Wine, the Union for the Protection of Plant Varieties, or the International Board for Plant Genetic Resources. The terms "barrel matured" and "barrel aged" (listed in Annex XVI to Regulation 607/2009) are not allowed for wines produced with oak chips.

Prepackaged Food Labeling and the Use of Stickers

Specific rules about using stickers to provide mandatory labeling information are not included in FIC Regulation No. 1169/2011. On this issue, the EC refers to point 2.1.1 of their Questions and Answers on the Application of Regulation (EU) No. 1169/2011 document, which notes that "labels should not be easily removable so as to jeopardize the availability or the accessibility of the mandatory food information to the consumer."

Nutritional and Health Claims

The Annex to Nutrition & Health Claims Regulation (EC) No.1924/2006 lists the EU authorized nutrition claims and their U.S. Exporters should be aware that different pieces of legislation may apply to single product conditions of use. The use of nutrition claims not included in the annex is not allowed.

Health Claims

Rules on the use of health claims are regulated under the Nutrition and Health Claims Regulation (EC) No. 1924/2006. Regulation (EU) No. 432/2012 establishes the EU's list of functional health claims and the conditions of use. Health claims which refer to certain botanical substances are currently on hold while the EC and MSs discuss potential conflicts of the Health Claims Regulation with the Traditional Herbal Medicinal Products Directive. Since December 14, 2012, all claims not authorized, and not on hold, and/or under consideration are not allowed. Food labels with any claims must comply with the provisions of FIC Regulation 1169/2011. EC Implementing Decision 2013/63 of January 24, 2013, establishes guidelines for national authorities to regulate specific conditions for permitted health claims.

The list of permitted functional health claims is different from individual applications for health claims related to disease risk reduction and claims referring to the health and development of children, which require case-by-case authorizations and a scientific dossier to the European Food Safety Authority (EFSA). A simplified authorization procedure has been established for health claims based on new scientific data.

Regulation (EC) 353/2008 of 18 April 2008 sets out implementing rules for applications for the authorization of health claims as provided for in Article 15 of Regulation 1924/2006. Guidance on stakeholder applications for health claim approvals can be downloaded from EFSA's website.

Regulation (EU) 907/2013 of September 20, 2013, establishes rules for the use of "generic descriptors" which could be interpreted by consumers as health claims. Generic descriptors such as "digestive biscuits" and "cough drops" might normally be banned under Regulation 1924/2006 if they suggest a health benefit not evaluated scientifically by EFSA. For more information see the 'New EU Regulation on Generic Descriptors' report available on the USDA <u>GAIN website</u>. Trademarks and brand names that suggest health and/or nutritional benefits, but do not comply with the new rules, must be removed from the EU market by January 19, 2022.

COOL

COOL is mandatory for honey, fruit and vegetables, olive oil, fishery and aquaculture products, beef, pork, sheep and goat meat, and poultry. For more information on COOL requirements, please refer to the <u>FAS EU website</u>. On May 29, 2018, the EC published <u>Implementing Regulation 2018/775</u> mandating dual-origin labeling when a country of origin is given or visually implied on a product label, but the primary ingredient originates from a different country. This Regulation entered into force on April 1, 2020. Lithuania launched a national COOL scheme on milk and dairy products in September 2016.

Section III. Packaging and Container Regulations:

Packaging and product container requirements in Lithuania adhere to EU standards and regulations, chiefly Regulation (EC) 1935/2004 of October 27, 2004. Regulation (EC) No. 450/2009 of 29 May 2009 also addresses materials and products which touch food. Additional information on plastic materials which touch food is described in Regulation (EU) No. 10/2011 of 14 January 2011 (OJ L12, 15.1.2011, page 1). This Regulation cites 21 permitted substances (plastic materials and articles) that may touch food. Additional directives applied in Lithuania are published in the Lithuanian Official Journal 'Valsybes zinios' online. For more information on package and containers requirements please refer to the 2020 EU FAIRS Report here.

Section IV. Food Additives Regulations:

The EU's "Package on Food Improvement Agents" includes four Regulations: (1) Regulation 1331/2008 establishing a common approval procedure for food additives, food enzymes, and food flavorings, (2) Regulation (EC) 1332/2008 on food enzymes, (3) Regulation (EC) 1333/2008 on food additives, and (4) Regulation 1334/2008 on flavoring agents.

Regulation (EC) No.1331/2008 establishes an approval process for food additives, food enzymes and food flavorings based on EFSA safety evaluations. Implementing regulations are established under Regulation 234/2011, which clarifies administrative and technical data required by the EC. An

application consists of a letter, a technical dossier, and a summary of the dossier. The EC will then request EFSA to verify the suitability of the data.

Approved additives are listed in Annex II to the Food Additives Regulation 1333/2008. The approved uses of additives are listed according to the food category which they may be added. Annex I to Regulation 1333/2008 lists 26 different categories of food additives. The EU does not allow the use of chlorine, bromates, and peroxides as flour beaching agents. Additional information on regulations pertaining to EU food additives requirements can be obtained here.

Section V. Pesticides and Contaminants:

Regulation (EC) No.1107/2009 established approval requirements for plant protection product (PPPs). It entered into force in 2009 and supersedes Directive 91/414/EEC. This Regulation also established the list of approved active substances. Only PPPs containing EU-approved active substances are authorized. According to the Regulation, the EU is divided into three different zones. Once an MS approves the PPP, it can be mutually recognized and authorized within the same EU zone as set out in Annex I of the Regulation.

<u>Directive 2009/128</u> on the sustainable use of pesticides is also part of the so-called Pesticides Package. For more information see the European Commission website <u>here</u>.

In November 2017, Regulation (EU) 2017/2158 established benchmark levels to reduce the presence of acrylamide in food. The new regulation requires that food business operators apply mandatory measures to reduce the presence of acrylamide, proportionate to the size and nature of their establishment.

Maximum Residue Levels (MRL)

Since 2008, MSs have followed Regulation (EC) No.396/2005 on MRLs in food or feed of plant and animal origin. Pesticide MRLs for processed or composite products are based on levels in raw agricultural ingredients. See the EC's <u>website</u> for the latest updates.

Import Tolerances

MRL and import tolerance information is available in the 'Pesticide Use and Food Safety' guide published by the European Crop Protection Association.

Section VI. Other Regulations and Requirements:

U.S.-EU Wine Agreement: In March 2006, the United States and the EU signed the 'Agreement between the United States and the European Community on Trade in Wine'. The Agreement covers wines with an alcohol content of not less than seven percent and not more than 22 percent. All U.S. wine exports must be accompanied by certification and analysis documentation using the format specified in Annex III (a) to the Agreement. More information on the simplified EU import certificate form can be obtained from the Alcohol and Tobacco Tax and Trade Bureau. The Agreement's "Protocol on Wine Labeling" sets optional conditions for wine labels. Commission Regulation 1416/2006 concerns the protection of U.S. names of origin in the EU. Information on U.S.-EU wine trade can also be obtained from the U.S. Treasury Department's Alcohol and Tobacco Tax and Trade Bureau.

Section VII. Other Specific Standards:

Specific standards are required when importing wine and spirits from non-EU countries. An import license, issued by <u>Lithuanian National Paying Agency</u>, must be provided for wine shipments exceeding 3,000 liters. Lithuanian customs also require non-EU countries to provide a single administrative document (SAD) along with imported food products. Specific taxation information can be found on the EC's <u>website</u>. The export of wines from U.S. must also include a simplified export certificate or VI1 document.

Novel Foods Labeling

Use of GE food and ingredients are required to be labeled in concordance with Regulation (EC) No 1829/2003.

Section VIII. Trademarks, Brand Names and Intellectual Property Rights:

Lithuanian copyright and trademark laws are harmonized with EU requirements. Regulation (EC) No. 207/2009 establishes a unified EU trademark registration for MSs.

Section IX. Import Procedures:

The "Union Customs Code" (UCC) established in <u>European Parliament and Council Regulation</u> 952/2013 is the framework regulation on rules and procedures for customs throughout the EU. Implementing provisions were published on December 29, 2015. <u>Commission Delegated Regulation 2015/2446</u> and <u>Commission Implementing Regulation 2015/2447</u> regulated certain provision of the UCC including binding tariff information and origin of goods.

The Lithuanian Customs Department provides electronic information on current EU issues, trade laws, and regulations, access to administrative forms, custom consultation committees, restrictions, prohibitions, and access to tariff regulations regarding foreign trade.

The Integrated Tariff of the Republic of Lithuania (<u>LITAR</u>) database provides electronic access to information resources on EU tariff and Lithuanian taxes, import, and export procedures and regulations. Information found on LITAR must be cross-referenced with EC legal regulations and Lithuanian excise and VAT laws. EU tariff and non-tariff requirements can be found online on the <u>TARIC database</u>. Supplemental information on free movement of goods in Lithuania can be found on the <u>europa.eu</u> website.

Section X. Trade Facilitation:

Lithuania ratified the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) in October 2015. In 2021, TFA's most noticeable impact at the EU-level will be that electronic customs clearance correspondence between customs office, importers, exporters other MS should become available. Lithuania has been a WTO member since 2001.

Commission Implementing <u>Regulation</u> (EU) 2019/1715 of 30 September 2019 regulates the information management system for border inspection of products imported from non-EU countries. From December 2019, the TRACES system has used the Common Health Entry Document (CAHD) for prenotification and border inspection of imported products. U.S. authorities are still required to sign paper certificates to accompany U.S.-origin consignments to be entered into the TRACES system.

Commission Implementing <u>Regulation</u> (EU) 2019/1013 of 16 April 2019 on prior notification of consignments of certain categories of animals and goods entering the EU requires, that the operator responsible for a consignment of animals and goods referred to in Article 47(1) of Regulation (EU) 2017/625 shall give prior notification, to the competent authority of the border control post of first arrival into the EU, at least one working day before the expected arrival of the consignment.

In Lithuania border inspections should be completed within 24 hours. The duration of inspection may be extended if there is a need to take and analyze samples of products from the shipment. MinAg establishes the fees for border inspections of food and agricultural products.

The Lithuanian Customs Department, together with the MinAg's National Paying Agency, SFVS, the Ministry of Culture's Department of Cultural Heritage, and State Enterprise Centre of Registers implemented the <u>Electronic Customs Single Window principle</u> to provide international trade stakeholders a 'one-stop' point to handle all related documents and information. As a result, documentation flow for customs clearance in Lithuania has greatly improved. Most Lithuanian importers work with private customs clearance agents who subscribe.

Lithuanian importers generally do not report to the FAS Warsaw Post when they encounter administrative delays at border points and ports of entry. Most problems usually concern paperwork mistakes or missing documents. One of the most common issues occurring in the customs clearance procedure is the lack of appropriate HS code in presented documentation.

Appendix I. Government Regulatory Agency Contacts: The Ministry of Agriculture

Gedimino av. 19 (J. Lelevelio 6) LT-01103 Vilnius, Lithuania

Ph: +370 5 239 1111 Fax: +370 5 239 1212 E-Mail: zum@zum.lt http://www.zum.lt

State Food and Veterinary Service

Siesiku str. 19

LT-07170 Vilnius, Lithuania

Ph: +370 5 240 4361 Fax: +370 5 240 4362 Email: vvt@vet.lt http://vmvt.lt/en

Ministry of Health

Vilnius str. 33,

LT-01506 Vilnius, Lithuania

Ph: +370 800 66 004: +370 5 268 5110 Fax: +370 5 266 1402

Email: ministerija@sam.lthttp://sena.sam.lt/en http://www.sam.lt/go.php/lit/English

Ministry of Economy

Gedimino Ave. 38 / Vasario 16-osios st. 2,

LT-01104 Vilnius, Lithuania

Ph: +370 5 2625515; +370 5 262 6584 Fax: +370 5 262 3974

Email: <u>kanc@ukmin.lt</u> <u>http://www.ukmin.lt/web/en/</u>

Lithuanian Customs Department

A. Jakšto g. 1/25

LT-01105 Vilnius, Lithuania

Ph: +370 5 266 6111 Fax: +370 5 266 6010 E-mail: <u>info@cust.lt</u> <u>https://vls.lrmuitine.lt/</u>

Appendix II. Other Import Specialist Contacts:

For additional information concerning market entry, other import requirements, and a current importer list, U.S. exporters of agricultural products and commodities contact:

Regional Office of Agricultural Affairs (Covering Poland, Lithuania, Latvia, and Estonia)

Warsaw, Poland

Ph: +48 22 504 2336

Email: agwarsaw@usda.gov

Attachments:

No Attachments