

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary _ Public

Date: 6/12/2015 **GAIN Report Number:** ET1516

Ethiopia

Post: Addis Ababa

Ethiopia's Food and Ag Import Reg's and Standards (FAIRS)

Report Categories:

Food and Agricultural Import Regulations and Standards - Certification Food and Agricultural Import Regulations and Standards - Narrative

Approved By:

Michael G. Francom, Ag Counselor

Prepared By:

Abu Tefera

Report Highlights:

Ethiopia's food safety regime is in the process of transitioning to become a more modern and effective system. The regulatory infrastructure has been put in place along with the supporting institutions to manage and set standards related to food safety, and plant and animal health. The capacity of these institutions is gradually expanding with outside support. This report discusses the regulatory requirements and standards that must be met in order to ship food and agricultural products to Ethiopia.

Section I – General Food Safety, Animal and Plant Health Laws:

The Government of Ethiopia (GOE) is in the process of updating and modernizing the country's food safety, animal and plant health systems. This ongoing and evolving modernization process is in part attributed to the nation's fast-paced, export-oriented economic growth, which has spurred a rising number of retail and wholesale food outlets, restaurants, and food manufacturers, especially in and around the capital city, Addis Ababa. The GOE has subsequently taken steps to regulate these establishments to ensure the food they produce, distribute or sell is safe and wholesome.

Another key driver underpinning this modernization effort, is the GOE's interest in boosting agricultural exports, like coffee, sesame, and livestock products, in order to grow the economy and generate needed supplies of foreign exchange. In particular, the GOE recognizes that to export these products abroad that the country needs a reliable food safety system in place to meet the demands of foreign buyers in Europe, Asia and North America. At the same time, the country's economic growth has resulted in increased demand for imported food and agricultural products. The GOE is regulating imports, as well as domestic products to ensure their safety.

Broadly speaking, the country's food safety regulatory system is authorized and mandated in Parliamentary Proclamation – <u>Ethiopian Food</u>, <u>Medicine and Healthcare Administration and Control</u> <u>Authority Proclamation No. 661/2009</u>. This legislation provided the legal authorities for the government to consolidate the pre-existing food regulatory system with the aim of better 'protect[ing] the public from health risks emerging out of unsafe and poor quality food.' In particular, the Proclamation authorizes the setting of standards and regulations for locally-produced and imported foods, in areas such as production, promotion, storage, packaging and labeling, distribution, and laboratory testing.

In a subsequent Parliamentary Proclamation – <u>Ethiopian Food, Medicine and Healthcare Administration</u> and <u>Control Authority Regulation No. 189/2010</u> – the Food, Medicine, Healthcare and Control Authority (FMHACA) was established, under the purview of the Ministry of Health, as the competent authority responsible for setting and enforcing food safety standards and regulations. Under this proclamation, food is defined food as "any raw, semi-processed or processed substance for commercial purpose or to be served for the public in any way intended for human consumption that includes water and other drinks, chewing gum, supplementary food and any substance which has been used in the manufacture, preparation or treatment of food."

FMHACA was given further statutory authority to enforce and implement food safety and quality regulations as defined in the Food Medicine and Healthcare Administration and Control Councils of Ministers Regulation No 299/2013. This legislation states that food must be wholesome and produced in accordance with the relevant safety and quality requirements. Imported products failing to meet these standards will be returned to the country of origin or destroyed at the point of entry. For example, products that are expired or have deteriorated in quality may be seized and returned or destroyed. In a case where the violative product was detected in post-market surveillance, FMHACA has the authority to pull it from stores' shelves and destroy it. This regulation also provides broadly-defined requirements dealing with food storage, handling, and transportation, and prohibits counterfeiting and adulteration. In 2014, FMHACA issued a 38-page Directive to Food Exporters, Importers and Wholesalers (Amharic)

to remind the trade of the requirements that must be met to sell and distribute food and beverage products in the marketplace. FAS is seeking to translate this Directive and will publish it in a GAIN report upon completion.

The Ministry of Agriculture (MOA) regulates plant and livestock health and the safety of livestock products originating from and imported into the country. MOA's regulatory authority over plant health matters is codified in in the <u>Plant Quarantine Regulation, Council of Ministers Regulation No. 4/1992</u>. The definition of 'plants' includes living plants, plant products and seeds. Plants and other related articles must be accompanied by an import permit, a phytosanitary certificate from the competent authority from the origin country, and are subject to quarantine inspection. Shipping containers carrying plants or plant articles must be marked with the following information: contents, origin, address of shipper, supplier, or freight forwarder, name of consignee, and entry point in Ethiopia. In cases where pests are detected in an incoming shipment, MoA may allow the cargo to undergo treatment to destroy or inactivate the subject pest. Otherwise, the shipment will be rejected and destroyed or returned.

MoA's quarantine and livestock disease control authorities are codified in <u>Animal Diseases Prevention</u> and <u>Control Proclamation No. 267/2002</u>. Imports of livestock, meat and by-products, and genetics require an import permit along with a health certificate from the country of origin. When applying for an import permit, the importer must identify the type of product, country of origin, means of transport, date of arrival, countries transited, and port of entry. Upon arrival, livestock, meat and by-products, as well as genetic materials will be subject to inspection. The <u>Guidelines for Import and Export of Animal</u> <u>Genetic Material</u> spell out the recommended procedures and requirements in greater detail.

In coordination with FMHACA and MoA, the Ethiopian Standards Agency (ESA) develops the national food safety standards, some of which are mandatory while others are voluntary. FMHACA and MoA enforce these national standards. A list of the voluntary standards, ranging from food microbiology to food labeling and from beans to bananas, can be found in the <u>ESA Standards Catalogue</u>. It is important to note that health and safety aspects, such as maximum residue limits for pesticides or other contaminants that are found in voluntary standards are, in fact, mandatory and shipments must comply with these requirements. The voluntary aspect of these standards only refers to quality-related issues, such as the grade of the product.

Mandatory standards 'have the force of law' and are 'enforced by laws and administrative regulations'. While the list of compulsory standards is currently unavailable online, the relevant food products subject to these requirements are fresh and canned fruits and vegetables, coffee (export), alcoholic and non-alcoholic beverages, edible oil, oilseeds, and salt.

ESA has the goal to make the national standards available online. Presently, if you want a copy of a particular standard, you must go to the ESA library, submit a request, and pay a nominal fee to obtain the copy. Alternatively, imports should be able to provide U.S. suppliers with a copy of both the voluntary and compulsory standards. Post can assist U.S. companies in obtaining copies of standards on a case-by-case basis.

As part of its standards development process, ESA consults with industry and public stakeholders to take their comments and concerns into account. In fact, ESA publishes the draft national standards online along with an open solicitation for public comments. Given this high degree of transparency, the ESA is a model for the broader GOE in the area of open and inclusive rulemaking.

The Ministry of Trade (MoT), among other responsibilities, is authorized to establish a mechanism to ensure that imported products are sold at an 'appropriate price'. MoT is also responsible for the establishment and enforcement of the legal metrological system. In coordination with FMHACA and MoA, MoT has the authority to control the quality of imports and to restrict entry of products that do not comply with Ethiopian standards. MoT recently issued a <u>notice</u> to remind importers that incoming products, including certain food items, must comply with the pertinent, mandatory national standard(s), as developed by EAS. A list of these compulsory standards is contained in the subject notice.

The notice also clarified that third party accredited inspection bodies can provide documentary certification that the subject product meets the national standard and that these pre-certified products will be cleared by MOT to enter the country. MOT has approved <u>Intertek</u> to provide this certification service. Uncertified products will be subject to normal inspection procedures at the point of entry.

Section II – Food Additive Regulations:

FMHACA regulates the use of additives which must comply with both international and national food safety standards. Individual food and beverage standards, where applicable, reference both permitted and prohibited additives. For example in the case of wine, tanic acid can be used for clarification purposes, while coloring substances are prohibited with the exception of oenocyanine or caramel.

A mandatory additive standard exists for iodized salt. Specific requirements are referenced in the <u>Iodized Salt Control Directive</u> (Amharic).

Section III – Pesticide & Other Contaminants:

The Ministry of Agriculture (MoA) regulates and requires all pesticides to be registered prior to use. The registration process requires the applicant to provide efficacy, safety and quality data. Once registered, the pesticide can be used for up to 5 years at which time the registration may be renewed.

In addition to registration, MoA also is responsible for establishing maximum residue limits (MRLs) and conducting pesticide residue analysis on primary agricultural products. Applicable MRLs, as well as limits for other contaminants, are listed in the individual product standards. For example, in the case of apples, there are 41 different MRLs, as well as limits for heavy metals (e.g. lead) and microbiological contaminants (e.g. coliform). Imported apples, as well as domestically-produced apples, are expected to comply with these requirements. In the event where a national standard does not exist, the GOE will likely defer to the Codex recommendation.

The MOA's Veterinary Drug & Feed Administration is responsible for setting standards related to veterinary drugs, including maximum residue limits for veterinary drugs and other related compounds. Like pesticides, veterinary drugs must be tested for safety, efficacy and quality and registered prior to use. The registration lasts for five years after which time the registration may be renewed. At present, Ethiopia does not have MRLs in place for veterinary drugs and is using Codex standards as a substitute.

There is a general standard for contaminants and toxins in foods. This standard, which draws upon the corresponding Codex standard (193-1995) lays out the 'principles and procedures' to manage and set acceptable tolerances for contaminants and toxins in food and feed. This standard, however, does not

identify or list out contaminants and toxins of concern and their corresponding maximum levels. Instead, these are found in standards for individual commodities, where they exist.

Section IV – Packaging & Container Requirements:

In accordance with the Ethiopian Food, Medicine and Healthcare Administration and Control Authority Proclamation No. 661/2009, "packaging material shall be made out of substances, which are safe and suitable for their intended use, and the product shall be packed in container which will safeguard its hygienic, safety, quality and food grade." Further, the Proclamation states that "no…packaging material shall be put into use unless it complies with the international and national safety and quality standards."

Individual product standards may also contain additional guidance and/or requirements as it relates to packaging and container requirements. As an example, the standard for canned peaches indicates packing requirements, including lacquer usage inside the can as well as can thickness.

Section V - Labeling Requirements:

The following information below must be clearly and indelibly marked on the labels of pre-packaged foods in either English or Amharic. (Note: Packaged foods with a surface area less than 10cm² may be exempt from having to display some of these labeling elements.) Labels found on U.S. food products are commonly accepted.

Required Labeling Elements for Pre-packaged Foods:

- Name of the food
- Nutrition content
- List of ingredients (except for single ingredient foods) in descending order of weight
- List of minerals or vitamin supplements added to fortify foods (if needed)
- List of ingredients that may cause an allergic reaction
- Net weight or volume of contents
- Name and address of the manufacturer, packer, distributor, importer, exporter or vendor
- Country of origin
- Production and expiration dates (Note: Food products must have at least 50 percent of their shelf life remaining when they arrive at customs. Expired food cannot enter the country not can it be sold in the marketplace. Certain foods are exempt from carrying expiry dates, including fresh fruits and vegetables, wines, beverages with 10 percent alcohol by volume, vinegar and chewing gum.)
- Code identifying producing factory and lot
- Instructions for use (if needed)
- For beverages containing more than 1.2 percent alcohol, the alcohol proof is required on the label.
- GM foods must carry the label with the following statement: 'genetically modified food'.

Required Labeling Elements for Raw Foods:

- Name
- Ingredient list
- Net content
- Name and address of the producer and/or importer

- Country of origin
- Lot identification
- Expiry date or minimum useful life
- Conditions for product storage

Section VI – Other Specific Standards:

A special permit from FMHACA is required to manufacture, import, export or distribute genetically modified (GM) foods. GM foods must carry the label with the following statement: 'genetically modified food'.

FMHACA has issued guidance for infant formula and food supplements, namely: <u>Infant and Follow-up</u> <u>Formula Exporters Importers and Wholesalers Directive 2014</u> and <u>Food Supplement Exporters</u> <u>Importers and Wholesalers Directive 2014</u>.

Section VII – Other Certification & Testing Requirements:

The certificates and documents listed below are generally required when shipping food and beverage products to Ethiopia. At this time, product registration is not required with the exception of food supplements and baby formula.

- Quality and safety certificate
- Certificate of conformity, including laboratory analysis, for products with compulsory standards
- Free sale certificate
- Origin certificate
- Commercial invoice
- Packing list

In addition to the abovementioned documents, shipment of grains, oilseeds, fresh fruits and vegetables require a phyto-sanitary certificate issued by the competent government authority. Similarly, livestock and livestock products require a veterinary certificate.

As noted in Section I, the Ministry of Trade recently issued a notice to importers, informing them that all products must comply with national compulsory standards. Third-party certifiers can provide a written attestation that the shipment in question complies with the relevant Ethiopian standard(s), which will allow the cargo to enter into the country without inspection at the point of entry. Un-certified cargoes will be subject to normal inspection procedures.

Section IX – Import Procedures

The following are the general steps for importing a product into the country.

- An importer must apply for an import permit and obtain a letter of credit from an Ethiopian bank for the total value of the imports before an order can be placed.
- Bank approves letter of credit and authorizes release of foreign exchange (Note: as of writing this report, this approval was taking on average 2-3 months.)

- Pay foreign supplier for imported goods.
- Customs clearance and inspection at Port of Djibouti or dry port in Ethiopia. (Note: Customs clearance time has been reduced to less than 21 days, down from over 40 days in recent years.)

Section X – Copyright and/or Trademark Laws¹

Ethiopia has yet to sign a number of major international intellectual property rights (IPR) treaties. The GOE has expressed its intention to accede to the Berne convention and Madrid protocol by 2015. The Ethiopian Intellectual Property Rights Office (EIPO) has been tasked primarily to protect Ethiopian copyrighted materials and pirated software. Generally, EIPO has weak capacity in terms of manpower and none in terms of law enforcement. In addition, a number of businesses, particularly in the tourism and service industries, operate in Ethiopia freely using well-known trademarked names or symbols without permission.

¹ This section was taken from the 2014 Country Commercial Guide.