Legal Requirements and Standards for the Export of Sauces to the United States of America

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Note: Most of the quality/packaging/labelling requirements and guidelines presented in this report are extracted from the Food and Drug Administration (FDA) and the US Department of Agriculture (USDA).

Product Description and Classification

Sauces and pastes mainly consist of a combination of ingredients to form a harmonious taste. A sauce changes a dish by adding flavors, texture, viscosity and moistness to food.¹ It can be based on (or include) a variety of ingredients such as the juice of fruits and vegetables, vegetable oil, herbs, wine, aromatics, dairy, honey, vinegar, nuts and molasses.

The sauce can balance the flavors between salt, bitter, sweet, sour and umami, depending on the dish that is being prepared. The sauces can also differ based on the texture and consistency ranging from thin sauces to thickened sauces.

Sauces include ready-to-eat sauces, gravies, and dressings, and mixes to be reconstituted before consumption. The ready-to-eat products are divided into subcategories for emulsified and non-emulsified products, whereas the mixes are divided into subcategories that encompass both emulsified and non-emulsified sauce mixes:

¹ The Principle of Sauce Making, The Culinary Pro

- Emulsified sauces and dips (e.g., mayonnaise, salad dressing, onion dips), such as sauces, gravies, dressing-based sauces and dips, at least in part, in a fat- or oil-in-water emulsion—examples include salad dressing (e.g., French, Italian, Greek, ranch style), fat-based sandwich spreads (e.g., mayonnaise with mustard), salad cream, and fatty sauces and snack dips (e.g., bacon and cheddar dip, onion dip).
- Non-emulsified sauces (e.g., ketchup, cheese sauce, cream sauce, brown gravy) include water, coconut milk, and milk-based sauces, gravies, and dressings, such as barbecue (BBQ) sauce, tomato ketchup, cheese sauce, Worcestershire sauce, Asian thick Worcestershire sauce (tonkatsu sauce), chili sauce, sweet and sour sauce, and white sauce (milk-based sauce, with little added fat and flour)
- Mixes for sauces and gravies are concentrated products, usually in powdered form, to be mixed
 with water, milk, oil, or other liquid to prepare a finished sauce or gravy, including mixes for
 cheese sauce, hollandaise sauce, and salad dressing (e.g., Italian or ranch dressing)

Clear sauces (e.g., fish sauce) include thin, non-emulsified clear sauces that may be water based and used as condiments or ingredients rather than as finished gravy. Examples include oyster sauce and Thai fish sauce (nam pla).

The most known dips in Lebanon include Hummus, Mutabal, Garlic paste, Muhamarra, Tarator, Labneh-based dip, while sauces may be concentrated around lemon, olive oil, pomegranate molasses, yogurt, tomato, honey, vinegar, pepper and herbs among others. This report uses the combined nomenclature code 2103 'Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard'.

Combined Nomenclature Number	Product
210310	Soya sauce
210320	Tomato Ketchup and other tomato sauces
210330	Mustard flour and meal and prepared mustard
210390	Other

1. Mandatory Requirements

1.1. General Guidelines

- Lebanese companies should verify whether the U.S. government has prohibited doing business with a particular Lebanese company/ individual due to past export control violations or because they are subject to a U.S. sanctions program.
- Lebanese companies should consult the <u>BIS Denied Persons List</u> and <u>the Treasury Department</u>
 <u>Office of Foreign Assets Control's (OFAC)</u> Specially Designated Nationals and Blocked Persons
 <u>Lists provided in the sites below.</u>

- The International Trade Administration's Consolidated Screening List combines export-screening databases from the Departments of Commerce, State, and the Treasury into a single search tool. U.S. exporters may conduct electronic screens of potential international export partners using this database.
- For a number of items, specific export licenses are required. These items include products whose high-tech nature implies that export may involve a national security risk. Contacting BIS will enable an exporter to determine whether a specific item requires a license. If a specific license is required, one of the considerations is the reliability of the end-user. Government agencies and companies with a solid business reputation are more likely to be granted a license.

1.2. Quality Requirements

Further to the mentioned above, all companies interested in exporting sauces to the United States of America should consider the following additional steps:

1- Register Your Facility with the U.S. Food and Drug Administration:

According to the FDA website any importer can import their food products into the United States without prior sanction of the FDA if the facility is registered and they give prior notice to the FDA of food shipments. You can register your facility on the FDA website.

2- Designate a U.S. Food Agent to handle your U.S. Communications:

All importers of food under U.S. requirements must have a U.S. food agent to act as a liaison for FDA communications regarding incoming food shipments. The FDA will communicate with your agent to schedule inspections and to verify that all food safety requirements are being upheld. This particular step is of the utmost importance. While it may seem simple to designate your importer or even your customs broker as your agent, the FDA recommends using a stateside agent and even offers a company directly through the FDA website, which can act as your agent.

Usually the State Agent service includes:

- Registration Renewal: Mandatory Biennial FDA-Food Facility Registration Renewal
- Certificate of Registration: Certificates issued by Registrar Corp provide confirmation of your facility's registration to industry
- Registration Updates: Registrations must be updated within 60 days of a change in required information
- Prior Notice: Handles mandatory Prior Notice filings each year for your exports to the USA

- Detention Assistance: Communication with FDA on your behalf to seek the release of a detained shipment
- Mock FDA Inspection: Onsite expert assistance.
- DUNS Assistance: Obtain a DUNS number or update an existing DUNS record
- FDA Compliance Monitoring: A unique system that continuously monitors your company's FDA compliance status

Tips

• Consult the file below to identify your suitable agent, depending on the location as well as the type of product want to export to the United States of America



- 3- Obtain all Required Permits
- According to the U.S. Customs and Border Protection, food products that are imported into
 the United States may require additional permits, health certificates and/or other specialized
 certifications. These foods include but are not limited to: meat, milk, poultry, eggs, and other
 products that are from animal origin.
- The U.S. Customs and Border Protection assigns an Import Specialist at each port of entry that you may consult with regarding the requirements for your particular food product. They also highly recommend hiring a customs broker that can assist with your CBP entry.
- Food products must have a PN (Prior Notice) filed with the FDA to alert them of the shipment of your product for receipt at the port of entry. Once your food shipment(s) is received, it will be subjected to a thorough inspection to pass all food safety requirements. These inspections can be detailed to you by the Import Specialist so that you can ensure your imported food products will be readily received and will not be detained for not passing inspection.

N.B

A <u>Prior notice</u> is a mandatory notification to the US Food and Drug Administration (FDA) of imported shipments of articles of food prior to their arrival in the United States. The notice holds information

about the product, quantity, and packaging, and related facilities, such as the manufacturer, shipper, owner, and ultimate consignee.

Prior Notice Form:

4- Understand the FDA Requirements for Your Food Product

Each food shipment being imported into the United States, from fresh fruit to livestock, has particular requirements that must be met to pass inspection and be permitted to pass through the port of entry. For further questions regarding the FDA regulations regarding your food product here is a list of helpful links that can direct you to the department that handles your particular item:

- Plant and Animal Items U.S. Department of Agriculture: <u>www.usda.gov</u>
- Animal and Plant Health Inspection Service:

 https://www.aphis.usda.gov/aphis/ourfocus/planthealth/import-information

Tips

For the list of quality requirements by HS Code check the below:

- Lebanon's export of Soya Sauce (210310) to United States of America https://globaltradehelpdesk.org/en/export-210310-from-lb-to-us/assess-requirements/regulations/product-requirements
- Lebanon's export of Tomato Ketchup and other Tomato Sauces (210320) to United States
 of America https://globaltradehelpdesk.org/en/export-210320-from-lb-to-us/assess-requirements/regulations
- Lebanon's export of Mustard Flour and Meal, Whether or not Prepared, and Mustard (210330) to United States of America https://globaltradehelpdesk.org/en/export-210330-from-lb-to-us/assess-requirements/regulations
- Lebanon's export of Preparations for sauces and prepared sauces; mixed condiments and seasonings (excluding soya sauce, tomato ketchup and other tomato sauces, mustard, and mustard flour and meal) (210390) to United States of America https://globaltradehelpdesk.org/en/export-210390-from-lb-to-us/assess-requirements/regulations

1.3. Packaging and Labelling

Consumers are being more interested in their health which is directly related to their food consumption. Therefore, it's of high importance to focus on transparency and visibility when stating the nutritional information, including calories, sugar, fat and other ingredients on the packaged food². <u>A recent Mintel Survey</u> has highlighted the following trends:

- 63% of consumers worldwide are increasingly trying to include plant ingredients in their diet.
- 1 out of 3 condiment consumers in the U.S. aged 16 to 24 stated that they prefer organic ingredients.
- 35% of sauce and/or marinade consumers in the U.S. are chasing healthier choices.
- 58% of U.S. consumers eating plant-based proteins more often declare that it is healthier than consuming meat.

Tips

When accessing the U.S. market, it's important to follow the new food diets and target these health trends when promoting, packaging and labelling your product in order to gain attention:

- There are arising trends in the U.S. food consumption including focusing on sugar intake, prioritizing plant-based food, and placing their good health as a top priority.
- Low-carb and Keto diets are thriving, while driving innovation in sweetened food and eliminating carbohydrates.

For food ingredients and packaging which is regulated by the FDA, check the following link https://www.fda.gov/food/food-ingredients-packaging

Make Sure Your Product is Labeled Appropriately

According to the FDA, food items that are canned, packaged, baked goods or seafood must be labeled with the appropriate information. This information includes but is not limited to: country of origin, nutrition information and ingredient information. Depending on the size of your product and product packaging, the FDA has issued multiple formats that are permissible for use for labeling.

Businesses that average over \$10 million in annual sales were required to make their nutrition facts labels comply with new U.S. Food and Drug Administration (FDA) labeling rules by January 1, 2020.As of January 1, 2021, all other food businesses are required to update their labels. FDA's new rules mandate significant changes to the Nutrition Facts Chart format, serving sizes, daily values, and more.

Old Lahel	New Lahel
CHILLINE	NPWILLIP

² https://ifpc.com/wp-content/uploads/2022/05/TRENDS-REPORT-Dips-Dressings-Sauces-1.pdf

Amount Per Servi	ng		
Calories 230	Ca	lories fron	n Fat 72
		% Dail	y Value
Total Fat 8g			12%
Saturated Fat	1g		5%
Trans Fat 0g			
Cholesterol 0	mg		0%
Sodium 160mg	ı		7%
Total Carbohy	ydrate 37	7g	12%
Dietary Fiber	4g		16%
Sugars 1g			
Protein 3g			
Vitamin A			10%
Vitamin C			8%
Calcium			20%
Iron			45%
*Percent Daily Value Your daily value may your calorie needs.	be higher or	lower depen	ding on
Total Fat	Calories: Less than	2,000 65g	2,500 80a
Sat Fat	Less than	20g	25g
Cholesterol	Less than Less than	300mg	300mg
		2,400mg	2,400m
Sodium Total Carbohydrate	Less man	300g	375g

Nutrition Fa 8 servings per container Serving size 2/3 cu	
Amount per serving	230
	ily Value
Total Fat 8g	10%
Saturated Fat 1g	59
Trans Fat 0g	
Cholesterol Omg	09
Sodium 160mg	79
Total Carbohydrate 37g	13%
Dietary Fiber 4g	14%
Total Sugars 12g	
Includes 10g Added Sugars	20%
Protein 3g	
Vitamin D 2mcg	109
Calcium 260mg	209
Iron 8mg	459
	69

For more information and guideline on new rules of the FDA and how to label your product, visit the link

below: https://www.registrarcorp.com/fda-food/labeling/?lead source=Google%20Ad

2. What are the Requirements for the Niche Markets?

2.1. Organic Certification

In the US, the FDA does not regulate the use of the term "organic" on food labels. The USDA requirements for products that are labeled with the term "organic" are separate from the laws that the FDA enforces. Moreover, food products that are ordinarily under the FDA's jurisdiction and that are labeled with organic claims must comply with both the USDA NOP regulations for the organic claim and the FDA regulations for food labeling and safety.

The National Organic Program (NOP), part of USDA's Agricultural Marketing Service (AMS), establishes international organic import and export policies to facilitate trade and to expand market opportunities for certified organic farms and businesses around the world.



Imported organic products must be certified to one of the following standards to be sold in the U.S.:

- The USDA organic regulations USDA authorizes organizations around the world to certify farms and businesses to the USDA organic regulations.
- An authorized international standard the U.S. has established trade partnerships with international countries.

The NOP is a federal regulatory program that develops and enforces consistent national standards for organically produced agricultural products sold in the U.S. The NOP also accredits third-party

organizations to certify that farms and businesses meet the national organic standards. These certifiers and the USDA work together to enforce the standards, ensuring a level playing field for producers and protecting consumer confidence in the integrity of the USDA Organic Seal.

Certifiers are responsible for making sure that the USDA organic products meet all organic standards. There are five basic steps to organic certification:

- 1. The farm or business adopts organic practices, selects a <u>USDA-accredited certifying agent</u>, and submits an application and fees to the certifying agent.
- 2. The certifying agent reviews the application to verify that the practices comply with the USDA organic regulations.
- 3. An inspector conducts an on-site inspection of the applicant's operation.
- 4. The certifying agent reviews the application and the inspector's report to determine if the applicant complies with the USDA organic regulations.
- 5. The certifying agent issues an organic certificate.

Tips

- People who sell or label a product "organic" when they know it does not meet the USDA standards can be assessed a financial penalty with fines of several thousands of dollars for each violation
- In order to certify your product, you'll need to access the list of <u>certifier agents</u> in the US For organic certifier agent check
- For organic rules and regulations check https://www.ams.usda.gov/rules-regulations/organic
- The USDA currently has organic equivalence with the <u>following governments</u>: Canada, European Union, Japan, Korea, Switzerland, Taiwan, and United Kingdom

To maintain organic certification, your certified organic farm or business will go through an annual review and inspection process. If your operation is not located in the U.S., see our <u>International Trade</u> page to learn more about your options for organic certification.

2.2. Gluten-free Certification

On August 2, 2013, FDA issued a final rule defining "gluten-free" for food labeling, which is helping consumers, especially those living with celiac disease, be confident that items labeled "gluten-free" meet a defined standard for gluten content. "Gluten-free" is a voluntary claim that can be used by food manufacturers on food labels if they meet all the requirements of the regulations.

On August 12, 2020, the FDA issued a final rule on the gluten-free labeling of fermented or hydrolyzed foods. It covers foods such as yogurt, sauerkraut, pickles, cheese, green olives, FDA-regulated beers and wines (e.g., generally those with less than 7 percent alcohol), and hydrolyzed plant proteins used to improve flavor or texture in processed foods such as soups, sauces, and seasonings. The rule does not change the definition of "gluten-free" but establishes compliance requirements for these hydrolyzed

and fermented foods. It also includes a discussion of how FDA will verify compliance for distilled foods such as vinegar.

For more information and guidance, please check https://www.fda.gov/food/food-labeling-nutrition/gluten-free-labeling-foods.

2.3. Ethnic Certification

Islamic dietary laws (Halal) propose specific restrictions on diets. If you want to focus on the Islamic ethnic niche markets, consider implementing <u>Halal</u> certification schemes.



2.4. Vegan Certification

The Vegan has not been formally defined by the FDA, USDA or any other official U.S. agency. However, the vegan community has clearly defined and explained the term, which means a product that doesn't include any ingredients of animal origin, including milk, eggs, honey, gelatin, meat, poultry and fish³. There are multiple certification programs that help you gain the consumer trust such as Vegan.org in the U.S.









3. Which Quality Support Organizations in Lebanon Can Help Me?

The <u>Lebanese Agricultural Research Institute</u> (LARI) is a governmental organization under the Minister of Agriculture's supervision. The institute conducts applied and basic scientific research for the development and advancement of the agricultural sector in Lebanon. Extension services for farmers

³ https://www.recipal.com/blogs/72-common-food-product-certifications-and-labeling-terms#:~:text=%E2%80%9Cnatural%20flavorings%E2%80%9D.-,Vegan,eggs%2C%20honey%2C%20and%20gelatin.

include management of soil fertility, water consumptive use, plant pest, and disease control, crop rotation, and animal disease treatment and prevention, among others.

The <u>Lebanese Standards Institution</u> (LIBNOR) is a public institution attached to the Ministry of Industry. It was established on July 23, 1962 by a law giving it solely the right to prepare, publish, and amend national standards, as well as to grant the Lebanese Conformity Mark NL. Lebanese standards are prepared by technical committees formed by LIBNOR, which include setting the dimensions, conventions, symbols, and the definition of products' quality, as well as the methods of testing and analysis. They also include the codes of practice for professional and structural work.

The <u>Industrial Research Institute</u> (IRI) is registered as a Lebanese nonprofit institution. It provides, on an international scientific level, reliable services in testing and analysis and grants certificates of quality or conformity with standards and purchase specifications. It also provides specialized technological, management, and economic consulting services to existing industries and industrial development schemes.

The <u>Chamber of Commerce</u>, <u>Industry</u>, and <u>Agriculture of Beirut and Mount Lebanon</u> (CCIA-BML) is a non-profit private organization operating under Decree-Law 36/67. The Lebanese Chambers are the sole providers of consular services, including certification of origin and authentication of commercial documents. Also, the chambers conduct training, develop partnerships, and organize matchmaking events and exhibitions, among other services. The CCIA-BML operates the Lebanese Training Center, which provides managerial and technical training for Lebanese enterprises. In addition, <u>the Chamber of Commerce</u>, <u>Industry</u>, <u>and Agriculture of Tripoli and North Lebanon</u> provides quality control center laboratories, among other services.