

Template Version 2.09

Required Report - public distribution

Date: 8/4/2005 GAIN Report Number: HU5009

Hungary

Food and Agricultural Import Regulations and Standards

Country Report

2005

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Report Highlights:

On May 1, 2004, Hungary became a member of the European Union (EU), and all EU food rules, regulations, and laws apply. This report provides information on the laws and regulations for food, food import rules, and contact information in Hungary. Last Updated August 2005: Appendix I and II

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Vienna [AU1] [HU]

GAIN Report - HU5009

Disclaimer: This report has been prepared by the Office of Agricultural Affairs of the USDA/FAS (in Vienna, Austria) for U.S. exporters of domestic food and agricultural products. While every possible care has been taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since its preparation, or because clear and consistent information about these policies was not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped.

NOTE: 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.

I. FOOD LAWS

Act No LXXXII of 2003 on Food (AF)

The Act is a general, "umbrella" piece of legislation. The Act does not contain the domestic versions of EU (European Council or Commission) directives, so that it does not need to be revised whenever any EU directive is changed. The domestic directives are contained by the **Hungarian Food Codex (HFC)** or other separate legal rules (such as legislation for Wine, for Mineral Water, and for Meat and Meat Products, see section VII. OTHER SPECIFIC STANDARDS C, D and E). General prescriptions of the Act must be applied together with HFC directives and other corresponding regulations.

All kinds of food, including food imported for commercial sale, fall under the ruling of the Act. (Products from other EU member countries are considered as domestic products (§7. (2)) See the AF in English at http://www.fvm.hu/files/elelmiszeripar/elszi_5_en.pdf

Structure of the Act:

General Provisions

Sets the scope of authority of the Act

Preconditions of establishment and operation of a food business

Packaging and information provided to the consumer

Official food control

Food regulation Outlines the role of the HFC in food regulation (see later)

Closing provisions

Explains the responsibility of different departments (ministries) in regulating specific area of the food economy

The Act, the HFC and other specific legal chapters, always refer to EU Regulations but never quote them as EU Regulations are mandated in member countries without being built into the domestic legislation. The Hungarian law also refers to EU Directives. EU Directives are the guidelines to prepare the corresponding Hungarian legal chapters. When English translation of the given Hungarian rules are not available, we highly recommend looking at the quoted EU directive (in English) on the EU website (www.europa.eu.int/eur-lex/eu/index.html) or looking at the same topic at the USEU website (www.useu.be).

The § 17 of the AF outlines the role of the HFC:

"(1) Mandatory provisions and guidelines on food shall be incorporated in the **Hungarian Food Codex (HFC)**.

(2) The volumes of the Hungarian Food Codex shall comprise of the following:

a) Volume I shall comprise of mandatory provisions prepared by implementing Directives of the European Community and setting up national product specification in fields not listed in paragraphs (3), (4) and (6)-(13) of § 20.
b) Volume II shall comprise of recommended guidelines drawn up in the light of recommendations of international organizations, taking account of the domestic capabilities.

c) Volume III (Selected Official Methods of Food Analysis) shall comprise of provisions concerning methods of analysis – prepared by implementing the Directives of the European Community, and additionally, recommended Hungarian Standards (MSZ) and recommended Guidelines on methods of analysis."

See an earlier version of the Contents of the HFC in English at http://www.fvm.hu/files/elelmiszeripar/Info1_english.pdf

Glossary:

Most of the provisions of the HFC and the specific orders of the GOH or different ministries are not yet available in English. We use in this report the unchanged Hungarian abbreviations in code numbers to facilitate the search for a given legal rule in Hungarian printed or electronic sources. In the following we provide a glossary of the Hungarian codes of legal chapters.

The regular pattern is:

Order No of ...Year (date) followed by the abbreviation of the Minister (Department). At some references, the ministry's name has been changed, consequently we use different abbreviations, depending of the year in which the Order has been issued.

FM	Minister of Agriculture
FVM	Minister of Agriculture and Rural Development
EuM	Minister of Health
ESzCsM	Minister of Health, Social and Family Affairs
GM	Minister of Economy
GKM	Minister of Economy and Transportation
IKM	Ministry of Industry and Trade

The system of coding the HFC items:

In volume I. Mandatory Provisions

E.g. 1-3-83/417

1- the provision is from Volume I.

Second number:	1 means General Rule

- 2 means Food Safety Rule
- 3 means Product Rule

The third part of the code (a combination of numbers) is the number of the original EU Decision

In Volume II. Recommended Guidelines

E.g. 2-13

2- The provision is from Volume II

The second number refers to the commodity (group of commodity) (Domestic Product Classification number)

In Volume III. Selected Official Methods of Food Analysis

E.g. 3-1-85/503

3- The provision is from the III. Volume

The second number, 1, indicates that it is mandated by EU legislation

The third number is the reference number of the EU lex

II. LABELING REQUIREMENTS

A. General Requirements

AF

Packaging and information provided to the consumer § 9

(1) The packaging shall protect the food from contamination and from effects reducing safety, nutritional value and quality.

(2) The packaging shall not be hazardous to consumers' health.

(3) The packaging shall be suitable for reuse, recycling and if destroyed, the impact of polluting the environment shall be as low as possible.

(4) Packaging shall enclose the food in such a way that the food cannot be altered, without opening or damaging the packaging.

§ 10

(1) On the packaging of a food to be placed on the market, the labeling necessary for information intended for the consumer - as provided for in specific legislation on the labeling of food - shall appear in Hungarian, in an easily legible, understandable and clear manner (Import packaged food may contain the original, foreign language label, but a stick-on label in Hungarian, and meeting with the Hungarian labeling requirement must be put on the top of the original. The additional labeling must be made (by the foreign producer, exporter or the importer or distributor) before the product gets to buyers.

(2) The presentation of the food and the labeling providing information for the consumer shall not mislead the consumer.

The application of the general rules of the AF (based on the 2000/13 (EC) EU directive and its amendments) is governed by the <u>Order No 19/2004. (II.26.) FVM-EszCsM-GKM on the Labeling of Food.</u>

Its provisions must be applied for food destined to the final consumer (including imported food, of course).

§3 (1) Lists those statements that the label may not contain (e.g. false information on ingredients; any (beneficial) health effect [excluding specific food regulated elsewhere], etc.)

§ 4-18 Explains the mandated content of the label

- E.g. Name of food
 - List of ingredients
 - Volume (percentage) of ingredients
 - Net weight of food
 - Shelf life
 - Recommended conditions of storage
 - Name and address of the manufacturer or distributor
 - Country of origin, if the name may be misleading in this context (eg. US made
 - "Parma" cheese)
 - Instructions for use
 - Alcohol content (above 1.2 percent alcohol)

Paragraphs refer to HFC provisions and at the end, the corresponding EU directives (2000/13 (EC), 94/54 (EC), 1999/10 (EC), 89/369 and their amendments)

<u>Act LVII. of 1996 on the Prohibition of Unfair Market Practices and Limitation of Market</u> <u>Competition</u> regulates the enforcement of the ban on misleading labeling and advertising of commodities, including food (§ 6)

B. Requirements specific to Nutritional Labeling

There is no mandated nutritional labeling. But if the label contains a statement concerning the nutritional value of the product (e.g. "reduced energy content") than the nutritional value must be quoted as outlined by HFC I. Vol 2. :" 1-1-90/496 Labeling of nutrition value of food "(based on Commission Directive 87/250/(ECC))

C. Requirements specific to biotechnology (GMO) labeling

The two EU Regulations: No 1829/2003 on Genetically Modified Food and Feed and the No 1830/2003 on the Traceability and Labeling of Genetically Modified Organisms and the Traceability and Labeling of Food and Feed are mandated without any change in member countries. Hungary has not yet prepared the national application rules to the GMO regulations. There is a "de jure" ban on the imports of GMOs and GMO products. Authorities sample, test, and enforce GMO content of import lots only at planting seeds.

With the May, 2004 EU membership, Hungary's Act No XXVII of 1998 on Gene Technology Activities is partly (§ 33, part (3)) substituted by the quoted EU regulation.

D. Health Claims

See under A. General Labeling requirements

E. Requirements specific to Organic Product Labeling.

Organic products labeling requirements do not differ from the general labeling rules (see under A.).

UNCLASSIFIED

The few specifics are regulated in <u>Order No 74/2004.(V. 1.) FVM on the Rules of procedure of the production of organic agricultural and food products</u>

§1 Inspection of bio (organic) production

§2 Labeling of organic products (label must contain the name and references of the certifying organization. There is no equivalence agreement between the US and the EU, this is why US products with organic label are not accepted as "bio" products, only ordinary food products.

§6 Lists pieces of EU legislation governing the production and labeling of "bio" (öko, organic) products (Regulation of the Council 2092/1991/ECC and its amendments)

III. PACKAGING AND CONTAINER REQUIREMENTS

A. Container size requirements

Container size requirements are regulated by the <u>Order No 25/2000 (VII.26.) GM-FVM on the</u> <u>Approved Weight and Cubical Content Values of Pre-packed Articles and Food and its Control</u> (amended by the Order No 60/2003 (X. 10) GKM-FVM and Order No 65/2004 (IV.27.) GKM_FVM)

Main provisions:

Measures are in metric system

The approved measures/sizes are listed in the Appendices of the Order. Listed volumes DO NOT refer to commodities that are not sold commercially (e.g. promotion samples distributed at a seminar or trade show), served on a vehicle on international trip or sold in a duty free shop.

§ 1-4 Explains how packaging meets requirements and how to use the "e" mark, if the packaging fulfils EU requirements

§ 10 Lists the reference directives of the EU: Council Directive 75/106/ECC, Council Directive 76/211/ECC, Council Directive 80/232/ECC and their amendments.

B. Waste Disposal Municipal Waste Disposal and recycling regulations are set in:

In general - Act XLII.of 2000 on Handling of Waste (§ 6-7.)

In details - Decree No 94/2002 (V.5.) of the GOH on Packing and Detailed Rules of Handling of Packaging Waste Waste disposal regulations do not directly effect conditions of US food imports.

C. Packaging materials

Specific restrictions or limitations on the use of any packaging materials for food

HFC lists the requirements referring "Materials being in contact with food" and the corresponding EU Directives. This means that references concerning approved packaging materials are available in English at the EU website (<u>www.europa.eu.int/eur-lex/eu/index.html</u>)

IV. FOOD ADDITIVE REGULATIONS

A. The topic is regulated by the Act on Food (AF). §1, point 20. Ingredients of Food and 21. Food Additives outline the general provisions.

HFC 1.2. Additives (17. page) lists the requirements on sweeteners, aromas, etc. and contains a positive list of approved additives and provides methodology for analysis. HFC strictly follows the corresponding EU Directives and Codex Alimentarius lists. See the logical linkages (references) between the HFC code numbers and EU lex codes at SECTION I. Glossary. Some of the provisions of the HFC is titled "Codex Alimentarius Hungaricus", indicating the recognition of CODEX rules. The HFC is not available in English, but the references to EU directives provide a source of information in English.

- B. There is no negative list (List of prohibited additives)
- C. New additives are added to the list under the EU and CODEX common decisions.

V. PESTICIDE AND OTHER CONTAMINANTS

A. General

Order No17/1999 (VI.16.) EuM on Tolerable Chemical Contamination Levels of Food and the_amending Order No 34/2004 (IV 26.) EszCsM.

Lists contaminants of

- technological origin (equipment, cleaning agents, packaging material etc.)
- environment origin (PCBs, metals etc.)
- biological origin (mycotoxins, histamine etc.)
- natural origin (solanin, morphin etc.)

Order No 5/2002 (II.22.) EuM-FVM on Tolerable Pesticide Residues in Plants and Plant

<u>products</u> and its amendment Order No 8/2004. (II. 17) EszCsM-FVM. The order governs contamination of plants and food of plant origin. The order lists approved active ingredients with maximum residue limits (MRLs of CODEX are recognized)

B. Enforcement

Enforcement of pesticide residue regulations is governed by the Act No XXXV of 2000 on Plant Protection (regulating the right usage practices), the Order No 92/2004. (V.25) FVM-EszCsM-GKM on Official Food Inspection (see detailed at SECTION VI., Testing) and in HFC references (mainly laboratory methodology).

C. Registration of pesticides

Order No 89/2004 (V.15.) FVM on the Approval of Sales and Utilization of Pesticides and Herbicides, and the Packaging, Labeling, Storage and Transportation of Thereof. The Order contains a list of registered pesticides and refers to the registration procedure. For questions, the source and forum are the 91/414/EGK Directive on Chemicals for Plant Protection

VI. OTHER REGULATIONS AND REQUIREMENTS

A. Product registration:

There is no registration requirement for imported food. But the importer is responsible for the safety of the commodity and that the article meets Hungarian requirements. The importer must have an equivalency (conformity) document (based on any of the following: the statement/certificate of the official authority of the foreign exporter, or the tests of the importer, or the test of an accredited Hungarian laboratory, or the test of the Hungarian food inspection). Food inspection authorities control and enforce food importers and imported food by the same routine as they do with domestic food manufacturers and distributors. Above questions are regulated by (among others) Order No 43/2002 (V.14.) FVM-EuM-GM.

B. Testing

There are no specific standards for import products. Import products must comply with domestic product requirements. Some EU countries may have specific product standards for certain products. These specific standards may be accepted in other EU countries, based on bilateral notification. But third countries, e.g. USA may not follow this specific product standard. US products must meet the basic "Hungarian " product standard (mainly set by the HFC).

Beyond the animal and plant health issues and the buyer's quality control, there is no regular and mandated product testing at the import level, excluding the EU's Rapid Alert System (http://www.europa.eu.int/comm/food/food/rapidalert/index_en.htm) for serious food adulteration cases.

Regular and random product testing is made in the wholesale/retail level by national and local authorities (Order No 92/2004. (V.25) FVM-EszCsM-GKM on Official Food Inspection).

C. Certification

The only specific documentation are the Animal Health or Plant Health Certificate. The commodity certificate samples are available in English on the website of the EU (<u>http://www.europa.eu.int/comm/food/index_en.htm</u>) or USEU (<u>www.europa.eu.int/eur-lex/eu/index.html</u>), and in English and Hungarian on the website of the Ministry of Agriculture and Rural Development

(<u>http://www.fvm.hu/agrarium?topic=agrarium:000262&filename=allategeszsegugy/1000000</u> <u>4.html</u>) or (<u>http://www.fvm.hu/english?kat=ahfc:03040000</u>) and the Ministry of Justice (<u>http://www.im.hu</u>). US exporters must issue the certificate (prepared by a Federal US Inspector) at least in English and Hungarian. If the Port of Entry is Germany, for example, authorities may require tri-lingual certificate. The best way to double check certification to ask the Hungarian importer for a copy of updated, bi-lingual certificate, and consult with the Federal Inspector of the food producer.

See Certificate of Conformity at A. Product Registration.

VII. OTHER SPECIFIC STANDARDS

A. Dietetic and Special Use Foods

Order No 1/1996 (I.9) FM-NM-IKM on the Application of the Act No XC of 1995 on Food. (§ 12-13)

Order No 36/2004 (V.26) EszCsM on Food of Special Nutrition Value

Order No 27/2004 (IV. 24) EszCsM on Food of Reduced Nutritive Value for Decreasing Body Weight

Order No 24/2003 (V.9.) EszCsM on Nutritional Formulas for Specific Medical Purposes

B. Marine Products

EU regulations 103/76 (EC) and 104/76 (EC) provide the general outlines for the quality, grading and procedural environment. Some domestic requirements are contained by Order No 40/2002 (V.14) FVM on the Production and Sales of Fishery Products.

C. Wine

Act No XVII of 2004 on Viticulture and Wine §29 Regulations governing the handling and sales of wine of foreign (other than EU) origin.

(1) Import wine shipments need the qualification of the National Wine Qualification Institute (OBI). The importer must provide the samples for OBI, from each shipment, and pass the qualification report to the distributor or retailer of the wine.

(2) OBI qualification may be substituted by the qualification of the accredited certifier of the region of the production, if the lists of accredited quality certifiers were mutually recognized and published by the parties.

(3) A copy of the (foreign) qualification report must be sent for OBI by the importer, within eight days after the shipment entered to Hungary. The Import quality and volume report may substitute the Certificate of Origin.

§30 (1) The bottled wine of foreign origin must be sold in its original container and label.

§44 (1) The OBI inspects:

h) Quality of imported wine (winery products)

Provisions of the Act are harmonized with the EU regulation 1493/1999 (EC) on the Common Wine Market and the Commission regulation 884/2001 (EC) on the Trade Documents and Production Records.

D. Mineral Water

Order No 74/1999 (XII.25) EuM on the Medical Effects of Natural Origin

VIII. COPYRIGHT AND/OR TRADEMARK LAWS

Hungary has a complete codification covering the protection of Industrial Property and Copyright/Author's right. In the field of industrial property the laws regulate questions concerning patents, trademarks, utility models, industrial designs, and deals with the right commercial practice and trade secrets as well.

Hungary has the obligation to accord to the notionals of a contract no less favorable than it accords to its own citizens with regard to the protection of intellectual property.

Patents: Act No XXXIII. Of 1995. on Patents

Trademarks: Act No IX. Of 1969 on Trademarks. This latter corresponds entirely to the Paris Convention of the Protection of Industrial Property (e.g. acquisition of rights, term of protection, requirements, transfer)

Questions of competition are mainly governed by the Act LXXXVI. of 1996 on Prohibition of Unfair Market Practices, and also by the Civil Code, and the Patent Act.

A hot topic and subject to disputes at multinational (WTO) forum between the US and the EU the protection of geographical indications (GI). The United States protects many European geographical names as registered patents. But the EU' protection practice for GIs, governed by Council Regulation (EEC) No 2081/92 of 14 July 1992 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs is not accepted by many countries. This subject may affect U.S. export products to third (non EU) country markets.

IX. IMPORT PROCEDURES

Hungary is a landlocked country and import lot volumes of U.S. processed food are frequently small, this is why a great part of the import shipments is through middlemen in Germany, the Netherlands or other EU receiving ports.

The EU has a common outside tariff system regulated by the Council regulation 2913/92 (ECC). Detailed tariff level information is available at http://europa.eu.int/comm/taxation_customs/dds/cgi-bin/tarchap?Lang=EN.

EU administration requires member countries to designate certain border checkpoints for the import (customs and animal and plant health) handling of shipments of specific products (live animal, animal products, deep frozen food) coming from non-EU countries. The language of documents and certificates is an important question (see at VI. C. Certificates). Customs officers usually do not take samples or test the product, only if it is needed to set the correct import duty.

Import goods are subject to Value Added Tax (VAT) that is handled by the importer and/or by the distributor. Imports of commodities subject to excise tax (e.g. alcoholic beverages) require special license and financial procedure.

US Embassy (FAS/USDA) Point of Contact in Hungary:

Ferenc Nemes Agricultural Specialist American Embassy Budapest Tel: 36 1 475-4162 Fax: 36 1 475-4676 Email: ferenc.nemes@usda.gov

APPENDIX I. GOVERNMENT REGULATORY AGENCY CONTACTS

Bilateral and Multilateral Trade Policy:

Ms. Mariann Kovacs Head of Department International Affairs Ministry of Agriculture and Rural Development Kossuth ter 11. Budapest V. H-1055 Tel: [36] 1 301 4259 Fax:[36] 1-301-4662 Email: <u>mariann.kovacs@fvm.hu</u>

Plant Health and Pesticides:

Dr. Lajos Szabo Head of Department (Acting) Plant Health and Soil Conservation Department Ministry of Agriculture and Rural Development Kossuth ter 11. Budapest V. Tel: [36] 1-301-4015 Fax: [36] 1-302-0408

Animal Health, Meat Inspection, and Import Certificates:

Dr. Miklos Suth Head of Veterinary and Food Control Department Ministry of Agriculture and Rural Development Kossuth ter 11. Budapest V. Tel: [36] 1-301-4135 Fax: [36] 1-301-46-69

Hungarian Food Codex:

Dr. Endre Racz Head of the Hungarian Committee of the CODEX Department of Food Industry Ministry of Agriculture and Rural Development Kossuth ter 11. Budapest V. Tel: 36 1 301-4383 Fax: 36 1 301-4808

Food Safety and Food Legislation in general:

Dr. Maria Szeitzne Szabo General Director Hungarian Food Safety Office Miklos ter 1. H-1035 Budapest III. Tel: 361 368-8815 Fax: 36 1 387-9400 Email: <u>info@mehib.gov.hu</u>

APPENDIX. II. OTHER IMPORT SPECIALIST CONTACTS

Hungarian Patent and Trademark Office (Magyar Szabadalmi Hivatal) Garibaldi u. 2. H-1054 Budapest Tel 36 1 312-4400 Fax: 36 1 474-5534 Email: <u>mszh@hungary.com</u>

Wine (Sparkling wine):

National Wine Qualification Institute Ms. Zsuzsa Tatar Bem J. ter 2 H-1027 Budapest II. Tel: 36 1 346-0950 Fax: Email: cj15447@kerszov.hu

Pesticides and Food Contamination:

Mr. Peter Marth or Mr. Zoltan Ocsko Plant Health and Soil Conservation Station of Budapest Budaorsi ut 141-145 H-1118 Budapest XI. Tel: [36] 1-309-1045 Fax: [36] 1-246-2942

Food Inspection and Testing

Dr. Sandor Tilli Director Food Inspection Institute Mester u. 81. H-1095 Budapest V. Tel: 36 1 456-3010 Fax: 36 1 215-6858 Email: <u>TilliS@oai.hu</u>

Bio (organic, oeco) Product Certification: Mr. Peter Roszik Managing Director Biokontroll Hungaria Ltd. Nemetvolgyi ut 25. H-1023 Budapest II. Tel: [36] 1 487-0153 Fax: [36] 1 355-7155 info@biokontroll.hu Accredited laboratory for conformity certification:

Dr. Sandor Barabassy Director Mertcontrol Quality Assurance Rt. Kvassay Jeno u. 1/C H-1095 Budapest IX. Tel: 36 1 455-8080 Fax: 36 1 455-8092 Email: <u>vegylab@mertcontrol.hu</u>