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Honduras

Food and Agricultural Import Regulations and Standards -Narrative

FAIRS Country Report 2012

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Report Highlights:

This FAIRS report provides updates to sections: Food Laws, Labeling Requirements and Food Additives.

Section I. Food Laws:

The Honduran Government (GOH) agencies which are responsible for food safety matters are the Secretariat of Health (MOH) and the Secretariat of Agriculture and Livestock (SAG). The Ministry of Health's authority is governed by its health code, which is spelled out in Congressional Decree 65-91 (dated 05/28/91) and Executive Decree 06-2005 (dated 09/21/2005) which is titled "Sanitary Control of Products, Services and Establishments of Sanitary Interest Regulation".

Food safety issues which deal with animal and plant products, agricultural chemicals, and veterinary products are governed by SAG through the Phytosanitary & Zoosanitary Law (Congressional Decree 157-94, modified via Decree 344-2005) and its implementing regulations. The Consumer Protection Law and the Municipalities Law also address food safety issues to some extent.

In general, food safety legislation is geared toward: a) protecting consumer health as it relates to the consumption of food products; b) avoiding fraud in transactions which deal with food products; and c) protecting Honduras' economic interests in both domestic and international food trade.

The main regulatory agencies regarding food safety are SAG's National Plant and Animal Health Service (SENASA) and the MOH's Sanitary Regulation Directorate (SRD). As a general rule, SENASA is responsible for the inspection of agricultural products that enter Honduras, such as imports of raw materials and the process for consumer ready food products. The SRD is responsible for securing the safety of processed food products sold to the consumer. If guidance is not clear under the national regulation, the SRD applies these regulations in order of precedence:

- 1. Honduran regulations :
 - a. Health Code
 - b. Sanitary Control of Products, Services and Establishments of Sanitary Interest
 - c. Quality of Bottled Water and Ice for Human Direct or Indirect Human Consumption
 - d. Honey Processing
- 2. Central America Customs Union (CACU) Regulations
- 3. Codex Alimentarius Regulations
- 4. The U.S. Federal Code (U.S. Food and Drug Administration [FDA] regulations)
- 5. Pan-American Health Organization (PAHO) guidelines

As is the case in many countries with limited resources, enforcement of existing laws and regulations is not always consistent. At times, the GOH lacks the basic infrastructure and the necessary human and economic resources to adequately enforce its regulations in the commercialization stage. Entrance inspection of imported food products into the country is done at major ports and border crossings. However, it is common knowledge that many products enter unchecked as they go through extra-official channels. This situation, in turn, forces the SRD to inspect processed food products at the wholesale and retail levels. Nevertheless, the GOH is making an effort to strengthen enforcement through increased laboratory testing in terms of both quantity and quality.

The CACU is working on effecting regional regulatory changes. CACU has identified seven target areas, and has established technical groups to harmonize unify and implement measures in all the Central American countries. The seven areas are: free movement of goods, tariff harmonization, custom administration, tax harmonization and collection mechanisms, registration, intellectual property rights, and international commercial policy.

Each CACU country has a technical support Committee related to food products. In Honduras, SENASA, the SRD, the Ministry of Industry and Trade (SIC), other GOH institutions, and the private sector are members of the Committee.

Customarily when all the Honduran members of the Committee reach an agreement concerning proposals, SIC submits the Honduran position to the Central American Council of Ministers of Economic Integration (COMIECO). After agreement amongst CACU member countries through COMIECO, each country notifies the applicable resolution to the World Trade Organization (WTO). Countries not in CACU, have 90 days to provide comments to the proposed CACU regulation. Finally, after an agreement is reached with the comments received, COMIECO meets again and each CACU country publishes the regulation in its official journal with most COMIECO resolutions entering into effect six months after they are issued.

The Central America Secretariat of Economic Integration (SIECA) provides the following CACU's Central America Technical Regulations (CATR) related to Honduras and agricultural and food products.

| COMIECO Resolution Number | Content of the Technical Regulation (CATR) Processed Food and Beverages. Food Additives. | | | | |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-------------------|--|--|--|
| 283-2012 | | | | | |
| 282-2012 | Products used in feed and establishments. Requirements for Sanitary Registration and Control. | | | | |
| 281-2012 and 277-2011 | Nutritional Labeling of Pre-Packed Foods for Human Consumption of Population over Three Years Old. | May 14, 2012 | | | |
| 280-2012 | General Labeling of Food Previously Packed (pre-packed). | May 14, 2012 | | | |
| 269-2011 | Recognition Procedure of Sanitary Records of Processed Foods and Beverages. | | | | |
| 265-2011 | Registration of Commercial Varieties. Registration Requirements. | | | | |
| 259-2010 | Agricultural Inputs. Requirements for the production and commercialization of certified seeds of basic grains and soy. | | | | |
| 258-2010 | Pesticides. Pesticides for domestic use and professional use. Requirements for Registration. Procedure to recognize registration. | | | | |
| 257-2010 | 7-2010 Veterinary medicines and related products. Requirements for Sanitary Registration and Control. | | | | |
| 243-2009* | 2009* Technical Regulation RTCA 67.04.50:08 Food. Microbiological Criteria for Food Safety | | | | |
| 226-2008 | Prepared Food and Beverages. Fruit Juices | April 25, 2008 | | | |
| 218-2007 | Approval of Specific Rule of Origin for Oat Flour | Dec. 11, 2007 | | | |

| 216-2007 | Prepared Food. Procedure for Granting Sanitary | | | | |
|----------|-------------------------------------------------------------------------------------------------------------|------------------|--|--|--|
| | Registration and Enrollment | 2007 | | | |
| 215-2007 | Prepared Food and Beverages. Oils and Fats | Dec. 11, 2007 | | | |
| 201-2007 | Regulations on Wheat Flour | | | | |
| 176-2006 | Approval of Regulations on Registration: | | | | |
| | Annex 1 – Prepared Food. Procedures for Granting the Health License to Manufacturing Plants and Warehouses. | | | | |
| | Annex 2 – Prepared Food. Procedures for Granting Sanitary Registration and Sanitary Inscription. | | | | |
| | Annex 3 – Requirements for the Import of Processed Food for Exhibition and Tasting. | | | | |
| | Annex 4 - Industry Processed Food and Beverages. Good Manufacturing Practices. | | | | |
| 175-2006 | Sanitary and Phytosanitary Registrations | Oct. 5, 2006 | | | |
| 121-2004 | Approval of Agreements on Registration of Food and Beverages | Jul. 29, 2004 | | | |
| 119-2004 | Agricultural Inputs – Seeds | Jun. 28, 2004 | | | |
| 118-2004 | Agricultural Inputs - Fertilizers and Pesticides | Jun. 28, 2004 | | | |
| 117-2004 | Sanitary and Phytosanitary Measures | Jun. 28, 2004 | | | |

* In reference to the technical regulation RTCA 67.04.50.08 Microbiological Criteria for Food Safety, please note that poultry was excluded from the resolution. Each Central American country will apply its national regulation.

The text of the above mentioned regulations can be found at "COMIECO Resolutions" on the SIECA's website: <u>http://www.sieca.int/site/Enlaces.aspx?ID=030001003003001</u>

Section II. Labeling Requirements:

A. General Requirements

Labels must comply with MOH labeling requirements, the guidelines stated in the Codex Alimentarius and the CATRs on Nutritional and General Labeling. The CATRs entered in force in November, 2012. The SRD carries out local enforcement of labeling regulations. Information on labeling requirements for national and foreign products follows:

a) Name of the product, which is normally specific, must indicate the true nature of the product. The name of the product should not mislead the buyer or consumer. In the case of imitation products, the word "imitation"

should be displayed as the same size of the product's name.

b) Name of the manufacturer or distributor of the product.

c) Country of origin of the product.

d) List of ingredients. The list should be clearly marked and must be in descending order by initial weight at the time the product was manufactured. The list must specify if water has been added, except in cases when water is part of an ingredient such as brine, syrup or broth. When a product contains preservatives, color, emulsifiers and other type of food additives, the label must specify the generic name or international code, purpose, and concentration of each. When a product contains enriched nutritious substances such as vitamins, mineral salts and proteins, the label should read: "Enriched Food Product" or "Enriched Artificial Food Product," whichever the case may be. The label should also specify the name and the content per serving or consumption unit.

e) Net content. The content must be specified in units using the International System of Units (metric system) in the following manner: volume for liquid food products, weight for solid food products, and either weight or volume for semi-solid or viscous food products.

f) Lot number. This number must be engraved or printed in a permanent manner and may be placed on any external surface of the package.

g) **Expiration date**. The expiration date should be written in this order: day, month, and year. The manufacturer must ensure that the expiration date is included. The SRD is not opposed to the bar code being included on labels; however, consumers do not always know how to read and interpret the date in such codes.

The expiration date and lot number should be easy for consumers to read. It should be printed on top of the label in a way that it will not be erased or easily changed. When the product is canned it should be displayed with indelible ink. The SRD monitors retail stores to check that the expiration date and lot number are clearly shown. The manufacturing and/or expiration date can only be displayed with stick-on labels authorized by the SRD.

The following products are excluded from specifying the expiration date: alcoholic beverages containing 10 percent or more of alcohol by volume, bakery products which due to their nature are generally consumed within 24 hours of the time they were produced (it is, however, common practice for bakeries to put an expiration date on products), vinegar, chewing gum, and fresh fruits and vegetables.

h) **Complementary Labeling**. To comply fully with Honduran labeling requirements, the complementary label can be a "stick-on" but must be applied prior to retail sale. This label must be translated into Spanish with the same information that is given in the foreign language label. The SRD checks to see that the complementary label matches the description in the foreign language.

Labels must be placed prior to customs clearance and at the time of product registration. The SRD is working towards streamlining its procedures to ensure enforcement of existing regulations.

i) Sanitary Registration Number. The requirements for the Sanitary Registration Number (SRN) and Sanitary License are the same for food, medicine, medical devices, natural products, chemical substances, domestic use pesticides and food supplements. The steps needed to obtain a SRN are described in Part VI – "Sanitary License, Product Registration and Sanitary Inscription".

Additional Labeling Requirements:

In addition to the above, the following labeling requirements indicated by Codex apply:

1. Labels may be made of paper or any other material that can be attached or permanently printed on the package.

2. All writing on labels has to be clear and legible, and should not fade under normal use.

3. Labels that are attached to a container may have text on the reverse side as long as it is clearly visible through the container.

4. When the product requires refrigeration, it must be labeled accordingly.

5. When the product is easily contaminated and requires refrigeration after opening or must be consumed immediately, the label must state either: "For immediate consumption after opening" or "Refrigerate after opening", whichever the case may be.

6. When the product is artificial, it must be labeled accordingly.

7. All food products which have been treated with radiation (ionizing energy) must have specified on the label (close to the name of the product) the nature of the treatment. When a radiated product is used as an ingredient in another product, it must be specified in the list of ingredients.

8. Labels are not permitted on the internal part of a package or container where they would come into contact with the product itself.

9. Required labeling information should not be displayed on strips, bands, lids, tops, covers, caps, or any other part of the package which is used to open the product.

Any exceptions to the above requirements, with regard to products donated for humanitarian purposes, must be approved by the SRD.

B. Nutritional Labeling Requirement

Honduras uses the guidelines stated in Codex and the CATR on Nutritional Labeling of Pre-Packed Foods for Human Consumption of Population over Three Years Old. The CART entered in force in November 2012.

The SRD treats nutrient content claims (e.g., "low in saturated fat"), absolute descriptors (e.g., "high fiber or low fat"), relative descriptors (e.g., "light" or "reduced sugar"), and other implied claims, on a case-by-case basis when complaints are received from the public.

Labels should not indicate the product has therapeutic, healing, or any other attributes not normally associated with the product. While enforcement of such health claims is often difficult, the SRD takes special care in ensuring this is the case with products that are widely used by the population and require added ingredients to increase their nutritional value such as the case of flour, salt, and sugar. By law, sugar for human consumption must be fortified with vitamin A. Salt must be fortified with iodine, and wheat flour with iron, folic acid, vitamins B1 and B2, and niacin. The SRD oversees that these products are properly labeled as fortified.

The "Recommended Daily Allowance" (RDA) of certain additives may be included on the label. RDA standards

may vary from those in the United States since Honduras follows those of Codex.

Section III. Packaging and Container Regulations:

Containers can be of plastic, metal, glass, paperboard or any other materials which comply with requirements to maintain the quality and safety of the product. The packaging materials or containers should not absorb or transfer to the product components which will change the stability or quality of the product, or might cause content loss.

The quality control of the materials in contact with the food products is applied on a case-by-case basis. The controls can be applied in an official laboratory or in an international lab recognized by the Ministry of Health. New or unusual packaging/containers are usually analyzed prior to product registration. Honduras does not require any special packaging or container size. There are no Municipal Waste Disposal Laws or product recycling regulations.

Section IV. Food Additives Regulations:

Honduras allows the use of guidelines stated in Codex, FDA approved food additives and the CATR: Processed Food and Beverages: Food Additives. The CATR entered in force in November 2012.

When a product contains preservatives, coloring, emulsifiers and other type of food additives, the label must specify the generic name or international code, purpose, and concentration of each. The SRD accepts as safe the following seven colorings in foods:

| Yellow #5 | Yellow #6 | Red#2 | Red#3 |
|-----------|-----------|---------|-------|
| Blue #1 | Blue #2 | Red #40 | |

Section V. Pesticides and Other Contaminants:

Pesticides and contaminants are regulated by SENASA's Plant Health Division. Ministerial Decree No.642-98 establishes the requirements for registration, importation, manufacturing, formulation, re-packaging, re-bottling, transportation, storage, sale, use, management and exportation of pesticides and contaminants. The GOH has not set regulations or limits on the amount of pesticides allowed on food. SENASA uses a list of pesticides approved for use in Honduras and applies the tolerance levels for imported food products set forth by Codex. If the Maximum Residue Levels (MRLs) are not covered in Codex, SENASA applies the MRLs from the U.S. Environmental Protection Agency (EPA). The Central America Customs Union approved a new CART. The regulation refers to the requirements for registration of microbiological pesticides for agricultural use.

The importer and the pesticide must be registered with SENASA's Plant Health Division. An application for pesticide registration must be submitted with documents such as: Certificate of a Registered Pesticide Product issued by EPA or USDA and Certificate of Qualitative and Quantitative Composition issued by the producer or manufacturing company of the product. In addition, other documents required are toxicological and ecotoxicological studies. After the product and the importer are registered with SENASA, the importer requests a phytosanitary permit to SENASA to import the product. Among the data required for the phytosanitary import permit are: Pro-forma invoice, location and name of the manufacturer, lot number of the product and amount to import. An import permit for the use and control of pesticides can be obtained at the SENASA's website: http://www.senasa-sag.gob.hn under "Requests for Permits".

Section VI. Other Regulations and Requirements:

SANITARY LICENSE, PRODUCT REGISTRATION, AND SANITARY INSCRIPTION

All processed food products imported into Honduras must be registered with the SRD. The exporter should confirm that the importer complies with two SRD requirements: 1) the importer must have a valid Sanitary License, and 2) the importer must register the product and obtain a Sanitary Registration Number (SRN) or Sanitary Inscription.

The Sanitary License applies only to Honduran establishments. Through the license, the SRD authorizes the establishments to manufacture or import and store processed food products, based on their compliance with food safety and hygiene requirements.

The SRN is the established procedure through which processed foods are approved to be sold. i.e. is the processed product registration.

Processed products must have a SRN issued by the SRD prior to entering the country. Only food samples to be used for the registration process will be allowed to enter the country without such a number. SRD regulations allow up to 30 working days to provide a SRN. The importer's representative should regularly check with the SRD to verify the status of the process—regular checking will insure that importers know if a document is missing or if the SRD requires further information.

Labels for processed products should have an empty space in which the SRN will be written. This number is valid for five years, during which time the product can be sold with a complementary label. However, when the SRN expires after five years, the number of the sanitary registration must be printed on the package. The complementary label is not allowed after this time. The SRD monitors retail stores to check if the product displays the expiration date and the SRN.

Unlabeled containers of food inputs waiting to be processed, labeled, or repacked, do not need SRNs. However, the packer or processor has to have a Sanitary License issued by the SRD. When the processed or packed food product is to be sold to the consumer, it needs a SRN. It should also have the expiration date, the name of the manufacturer, the name of the processor or packer, and must comply with all procedures relevant to processed food. Meat products - processed or raw - sold at the retail level in packages or bags must have a SRN.

The Sanitary Inscription is the authorization granted to an importer or distributor of a previously registered product.

Request for Sanitary Registration Number for Product Registration

The procedure for sanitary registration of a product is indicated in the CACU's resolution number 216-2007, which approved CATR 67.01.31.06 "Processed Food: Procedure to Grant Sanitary Registration and Sanitary Inscription". Procedures to obtain SRN, as well as sanitary inscription or renewal, can be carried out by any person or company. It is not necessary to be a lawyer; however, it is suggested that if there is a problem during the process of registration, the importer should utilize a lawyer. The following information must be submitted to the SRD to obtain a SRN:

• Applicant's information: Name, Honduran ID or passport number (in the case of Honduras), name of

legal representative, Honduran ID or passport number, address, phone, fax, e-mail, and address, phone, fax, and e-mail of the warehouse or distributor.

- **Sanitary License:** A document which certifies a business to store or process food. A Sanitary License is provided to the distributor or the importer's business by the SRD.
- **Manufacturer's information**: Name of factory or warehouse in the United States, address, phone, fax, and e-mail.
- **Product Information**: Name of product to be registered, product trademark, type of product, net content, sanitary registration number for renewals, and country of origin.
- Certificate of Free Sale for processed food products. The certificate indicates that the exporter has an annual food permit to produce, manufacture, distribute and pack food products for human consumption. It states that the plant where the product has been produced or processed is regularly inspected for compliance with all health and sanitation requirements. It also certifies that the products are freely sold and consumed in the United States, as well as exported. The certificate is issued by the appropriate state-level health authorities or the Chamber of Commerce of the United States.

The certificate is requested to register the processed food product with the SRD. For registration purposes, the Free Sale Certificate (FSC) should be accompanied by a document that provides an endorsement of the signatures that appear on the FSC. This document can be any of the following: An apostille that certifies that the FSC has been signed by a notary public of the state of origin of the FSC or by an authentication of the FSC by the Honduran Consulate. In both cases, the apostille or authentication should be provided with an official translation from the Ministry of Foreign Affairs in Honduras.

- **Original label of the imported product.** If the label is not in Spanish, a complementary label with the translation must accompany. Honduras follows guidelines stated in Codex and the CATR on General Labeling of Food Previously Packed (pre-packed). The CATR entered in force in November 2012.
- Proof of payment of the laboratory analysis.
- Sample of the product when analysis is done prior to registration. Products are divided in three risk areas:

Category "A" for products is the highest risk. These products are the easiest to contaminate and are consumed by a high level of the population. The category includes the following products: raw and processed meats of all kinds, eggs (powder and liquid), milk (powder and liquid), cheese, cream, butter, yogurt, bottled water, ice, and raw and processed seafood of all kinds.

Category "B" is medium risk, such as flour, sugar, and salt.

Category "C" has the least risk, such as candy and cookies.

Sample analysis is conducted only on Category A products. The registration of products under the B and C categories does not need a sample of the product. Samples are required only in cases when there is an alert or outbreak of a B or C category product.

CACU members agreed that for the products produced or processed in their countries, when a product obtains a

SRN in a CACU country, it does not need to be registered in another. Products produced in the U.S. are not eligible for the registration exemption. However, it is important to note that the origin of the product is considered to be a CACU country if the product is processed in a CACU country, even if the raw material is not from a CACU member country. The procedures to register products produced or processed in Central America have been officially codified within Honduras with the adoption of COMIECO Resolution No. 216-2007, which approved CATR 67.01.31.06 "Processed Food: Procedure to Grant Sanitary Registration and Sanitary Inscription." Importers can find the application form on the SIECA website at http://www.sieca.int under the "Procedure to Provide Licenses." The format is the same for all the CACU member countries.

In order to receive this CACU's benefit, the only procedure that a CACU country has to carry out is to request a "Registration Acknowledgment" which is the same throughout Central America excluding Costa Rica. The acknowledgment lasts the length of time that the product is registered, which is five years. The registration and requirements are part of COMIECO's resolutions, which are in the SIECA's website at: <u>www.sieca.int</u>.

Section VII. Other Specific Standards:

The table that follows shows legislation and regulatory agencies which handle key issues regarding the importation of food products:

| Issue | Legislation | Regulatory Agency (Ministry) | |
|---------------------------------------------------------|------------------------------------------------------|-----------------------------------|--|
| 1. Consumer Packaging | Health Code & Regs. 1/ | Health | |
| 2. Weights and Measures | Consumer Protection Law | Industry & Trade | |
| 3. Vitamin Enrichment | Health Code & Regs. 1/ | Health | |
| 4. Novelty Foods | Health Code & Regs. 1/ | Health | |
| 5. Dietetic or Special Use Foods | Health Code & Regs. 1/ | Health | |
| 6. Food Sanitation | Health Code & Regs. 1/ Phyto & Zoosanitary Law 2/ | Health Agriculture & Livestock | |
| 7. Seafood Products | Health Code & Regs. 1/ Phyto & Zoosanitary Law 2/ | Health Agriculture & Livestock | |
| 8. Animal Quarantine | Phyto & Zoosanitary Law 2/ | Agriculture & Livestock | |
| 9. Wine/Beer/Alcoholic Beverages | Health Code & Regs. 1/ | Health | |
| 10. Organic Foods & Health Foods 11. Product Samples | Health Code & Regs. 1/ Health Code & Regs 1/ | Health Health | |
| 12. Meat Products | Health Code & Regs. 1/ Phyto & Zoosanitary Law 2/ | Health Agriculture & Livestock | |

| v 1 | | Health |
|------------|-----|---------------------------------------------|
| | 5 5 | Agriculture & Livestock Industry & Trade |
| | | |

- 1/ Health Code (Congressional Decree 65-91) and Implementing Regulations.
- 2/ Phytosanitary & Zoosanitary Law (Congressional Decree 157-94 and 344-2005) and Implementing Regulations.
- 3/ Decrees 024 and 41-2009 establish an Import License for dairy products.

Import procedures to register veterinary products and pet foods include the submission of additional documents such as: request submitted by a veterinarian and a lawyer, provision of the qualitative and quantitative formula, explanation of the methods of analysis, and an authorization from the manufacturing company.

Depending on the circumstances, other GOH agencies may be involved in one way or another with imports of food products (see the list of useful contacts at the end of this report).

Section VIII. Copyright and/or Trademark Laws:

The GOH has taken actions to substantially improve Intellectual Property Rights (IPR). Historically, well-known trademarks were subject to infringement, and protection under local law did not approach international standards. However, in 1993 Honduras passed a comprehensive IPR law. The GOH has since complied with the requirements of this legislation by creating an IPR Office within the Ministry of Industry and Trade to implement and enforce copyright, trademark, and patent laws.

As a signatory to the Uruguay Round agreements and member of the World Trade Organization (WTO), Honduras has accepted the Trade-Related Aspects of Intellectual Property Rights (TRIPS) standard. In addition, Honduras has signed with the United States, the Central American-Dominican Republic Free Trade Agreement (CAFTA-DR), which contains a chapter on IPR. To be protected under Honduran Law, trademarks must be registered with the Ministry of Industry and Trade. Trademark registrations are valid for 10 years starting from the registration date. "Notorious marks" are protected under the Pan-American Convention (1917) of which Honduras is a member. Illegal registration of a notorious mark, however, must be contested in court by the original holder.

Section IX. Import Procedures:

Import permits of raw and processed food products, additives, pesticides and inputs used in food processing must comply with SENASA requirements. The importer could obtain an import permit application form called "Request for Import Permit" at the SENASA's offices or downloaded at: http://www.senasa-sag.gob.hn under "Requests for Permits". In order to get an import permit, all importers should submit the request with the following documents to SENASA:

- a. Phyto or Zoosanitary Certificate
- b. Certificate of Origin
- c. Photocopy of Pro-forma Commercial Invoice

The above mentioned documents and the import request should be clear and show the same amounts, description, origin and point of departure of the products to be brought. The request of an import permit is done when the importer has already complied with the procedures of obtaining the SRN from the Ministry of Health.

The import permit process in SENASA takes from 24 to 72 hours if all documents are in order. The permit is applied to one shipment and is valid for 30 days. In case the permit is not used within 30 days of issuance, the importer requests that SENASA renew the import permit.

The documents required to submit with the import permit and the import process at the port of entry are described below.

a. <u>Phyto or Zoosanitary Certificate</u>

SENASA requests that the Phyto or Zoosanitary Certificate be issued by the U.S. federal government authority that inspects the conditions of the plant where the product has been produced or processed such as: the United States Department of Agriculture's (USDA) Food Safety Inspection Service (FSIS) and Animal and Plant Health Inspection Service (APHIS), as well as the U.S. Food and Drug Administration (FDA). A Certificate of Free Sale issued by a state-level health authority or a chamber of commerce is accepted for other types of processed products. SENASA, however, does not accept documents from commercial trading companies.

The above mentioned documents certify the inspections done by federal or state authorities. Under CAFTA-DR, Honduras recognized the United States inspection services as equivalent to the one in Honduras. This equivalence eliminates the requirement of a pre-certification of the U.S. exporter's facilities.

| Certificate | U.S. Government Agency |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| Certificate for meat and poultry products | USDA, Food Safety Inspection Service (FSIS) |
| Certificate for plants and vegetables | USDA, Animal and Plant Health Inspection Service (APHIS) |
| Certificate for live animals | USDA, APHIS |
| Certificate for dairy products | USDA, APHIS or USDA, Agricultural Marketing Service (AMS) |
| Certificate for seafood | U.S. Department of Commerce (NOAA) |
| Certificate for processed products | Certificate of Free Sale from state-level, health authority or a Chamber of Commerce where the plant is located. |

The appropriate certificate provided for various categories of products are in the following table:

Regarding imports of U.S. fresh/frozen poultry products, must come with an FSIS Certificate (Form 9060-5). SENASA has requested that USDA add an Additional Declaration (AD) to the phytozoo-sanitary

certificates. The AD should indicate that "All fresh/frozen poultry meat, including mechanically deboned meat (MDM), comes from an area free of high or low pathogenic Avian Influenza". APHIS provides updates to SENASA concerning outbreaks by state as well as their current status. However, SENASA has emphasized that it is the importers' as well as the exporters' responsibility to stay abreast of outbreaks so they can assure SENASA of the health status of the area of origination.

In addition, imports of cooked poultry products must come with an FSIS Certificate (Form 9060-5) which includes also the AD indicating that "All fresh/frozen poultry meat, including mechanically deboned meat (MDM), comes from an area free of high or low pathogenic Avian Influenza".

In the case of imports of animal products, SENASA's Food Safety Department (DIA) has a registry of Honduran import establishments which they have inspected (and have made eligible for the importation of these products). The Honduran establishments must comply with good agricultural and manufacturing practices (GAPs and GMPs) to keep the imported product safe.

b. <u>Certificate of Origin</u>

The certificate is from the place where the product was produced or manufactured. Products made in the United States, and shipped from any port must have a certificate indicating the United States as the country of origin. In the case of products not made in the United States, but distributed by U.S. companies, the United States Chambers of Commerce can issue a Certificate of Origin which indicates the country of origin of the product. SENASA reports that often importers are confused about "origin" and "point of shipping". This might cause error in the documents presented for the import permit. The certificate is required by the Ministry of Agriculture and Livestock (SAG).

In relation to the United States-Central American-Dominican Republic Free Trade Agreement (CAFTA-DR), Honduras requires a special Certificate of Origin for imports from the United States to be submitted. The main purpose of the document is to certify that the product originated in the United States, which in turn allows the product to receive the preferential tariff treatment agreed upon in CAFTA-DR. The producer, exporter, importer or Chambers of Commerce could provide the certificate with all the required information. A sample of this certificate can be found at:

http://www.sic.gob.hn/Libraries/Formularios_de_Exportacion/Certificado_de_Origen_RD-<u>CAFTA_TLC_Estados_Unidos.sflb.ashx</u>. The CAFTA-DR certificate is required by the Customs Tax Division (DEI).

c. Photocopy of Pro-Forma Commercial Invoice

SENASA requires that this document shows the same amounts, description, origin and point of departure.

d. Photocopy of Sanitary Registration

SENASA and the Ministry of Health are working together to assure that imported consumer-ready products destined for consumers will be stored and handled properly, as stated by the Health Code. SENASA requires that the importer have a consumer-ready Sanitary Registration Number (SRN) to issue the import permit. SENASA needs a copy of this document only for imports of consumer-ready products. As previously mentioned in Section VI, the SRN is issued by the Ministry of Health at the time the importer registers the product.

e. <u>Photocopy of Import License</u>

Importers of dairy products with the Harmonized Code (HC) from 04.01 to 04.06 and 1901.10.1 and 1901.90.20 should have an import license issued by the Ministry of Industry and Trade (SIC). The HCs are for milk, cream, butter, yogurt, cheeses, baby formula and powdered milk. Importers will need to register only once. The license will have a 60-day validity and can be extended at the request of the importer. In order to issue the import license, SIC needs to have copy of the Import Permit that SENASA issues to the importer.

Import Process at Port of Entry

SAG has delegated the responsibility of all quarantine inspections and treatments of agricultural imports to the International Regional Organization for Plant and Animal Health (OIRSA). OIRSA's Plant and Animal Protection Service (SEPA) inspectors are located at the borders, ports, and airports. They follow SENASA's instructions to enforce the import requirements of raw animal and plant products, as well as processed foods imports at the time of entry.

SEPA and inspectors from the Customs Revenue Directorate (DEI) are involved in clearing imports of these products. SEPA requires at the port-of-entry the documents indicated by SENASA in the import permit such as: the original import permit approved by SENASA, the original Phyto or Zoosanitary or Export Certificate, and the original Certificate of Origin. SEPA also requires a copy of any other document that the import permit indicates such as the Pro-Forma Commercial Invoice. In cases of consumer-ready products, a copy of the Sanitary Registration document, issued by the SRD at the Ministry of Health, should be included. Please note that SEPA reviews that the origin of the product, is the same in the documents and in the label of the product entering the country. This is required by SENASA since often importers are confused about "origin" and "point of shipping." DEI officials review that the invoice complies with the GOH's revenue tariff.

Prior to granting customs clearance, the SEPA inspector reviews all the documents provided and conducts an inspection of the product. The entry of animal products and by-products depends on the food safety conditions of the product itself. It also depends on the exporting country's current animal health status. The customs clearance is usually granted within a short period of time; however, depending on the work load at the port and whether or not all of SENASA's requirements are complete, the time period can range from a few hours to a couple of days.

In special cases, shipment of products that did not go through SENASA's import permit process are normally detained at the port of entry where product sampling is conducted. The samples are later subjected to laboratory analysis to check the physical, chemical and biological characteristics of the product. If the laboratory analysis indicates that the product does not meet acceptable standards, the product may be confiscated and later destroyed, re-exported, or tagged for animal consumption, depending on its condition and characteristics as determined by the authorities.

TARIFFS

Honduras did not negotiate any Tariff Rate Quotas (TRQs) when it became a member of the WTO. Under CAFTA-DR, Honduras eliminated its tariffs on nearly all agricultural products. For most sensitive products, TRQs permit some immediate zero-duty access for specified quantities during a 15 to 20 years phase-out period. The table below shows the CAFTA-DR TRQ and phase-out periods:

CAFTA-DR Tariff-Rate Quotas 2013

| | | TARIFF | Phase-Out | Phase-Out |
|----------|--------|----------------|-----------|-------------|
| 2013 TRQ | TARIFF | (Out-of-quota) | Period | Period Ends |

| Product | (MT) | (In-quota) | | | |
|--------------|---------|------------|-----------|---------|--------|
| | | | Percent | (Years) | (Year) |
| | | Percent | | | |
| White corn | 26,680 | 0 | 5 to 45 | 0 | 0 |
| Yellow corn | 254,012 | 0 | 5 to 45 | 15 | 2020 |
| Rice, rough | 104,400 | 0 | 45 | 18 | 2023 |
| Rice, milled | 11,900 | 0 | 45 | 18 | 2023 |
| Pork meat | 3,200 | 0 | 15 | 15 | 2020 |
| Beef meat* | - | 0 | 10 and 15 | 15 | 2020 |
| Chicken Leg | 3,206 | 0 | 164 | 18 | 2023 |
| Quarters | | | | | |
| Milk powder | 422 | 0 | 5 to 15 | 20 | 2025 |
| Cheese | 577 | 0 | 15 | 20 | 2025 |
| Butter | 141 | 0 | 15 | 20 | 2025 |
| Ice cream | 141 | 0 | 15 | 20 | 2025 |
| Other Dairy | 197 | 0 | 15 | 20 | 2025 |
| Products | | | | | |

*Immediate access for prime beef and choice cuts

The tariffs on grain require further explanation. There are restrictions on imports of corn and sorghum in order to protect local production. In addition, there is a combination price band mechanism and absorption agreement for corn and sorghum. Under the price band mechanism, duties can vary from 5 to 45 percent, depending on the import price. The tariff is calculated every 15 days using international prices and adding freight and insurance to that price. The price band mechanism is mainly used as reference for end users that do not sign the corn, sorghum and soy agreement.

Corn and sorghum producers, feed industry and food meal industry for human consumption signed a four-year agreement (2010-2014). Under the agreement the duty for corn and sorghum drops to zero when the signers of the agreement purchase a predetermined amount of these products from farmers. Thus, the feed industry is able to import four quintales of yellow corn (1 quintal = 100 kilograms) for each quintal bought from domestic production. The meal industry for human consumption is able to import three quintales of white corn for each quintal bought from domestic production. Only end-users who have signed the agreement may apply for this preferential treatment. Otherwise, the price band remains in effect.

Since Honduras' corn and sorghum production is not enough to satisfy market demand, the agroindustry is able to bring in those products at zero-duty within the TRQ established under CAFTA-DR. In addition, as stated by CAFTA-DR, if the domestic production is low, a no-supply quota, that brings the tariff to zero, can be applied.

Rice producers and millers have also reached a similar absorption agreement as the one for corn and sorghum. Under CAFTA-DR, the rice millers and producers entered into a new agreement in 2006. The agreement states that the duty for rough rice drops to zero when the signers of the agreement purchase the domestic harvest of rice. The agreement also establishes that an internal regulation will be applied every year. The regulation is the mechanism that establishes the volumes of rough rice that will be bought, the quality, payment requirements and the sale price. The regulation also includes the no-supply quota which will bring the tariff to zero to cover the demand of rice if needed. For everyone else that wants to import rough rice outside the CAFTA-DR quota, the duty is 45 percent.

Appendix I. Government Regulatory Agency Contacts:

1. Ministry of Agriculture and Livestock (SAG): National Service of Plant and Animal Health (SENASA)

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2. Ministry of Health: Sanitary Regulations Directorate (SRD)

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Appendix II. Other Import Specialist Contacts:

<u>National Service of Plant and Animal Health (SENASA)</u> Animal Health Sub-Director

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National Service of Plant and Animal Health (SENASA) Use and Control of Pesticides Department

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Customs and Tax Division (DEI)

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POST INFORMATION

If you have any questions regarding this report or need assistance exporting to Honduras, please contact the USDA's Foreign Agricultural Service (FAS) Offices at the following addresses.

Foreign Agricultural Service, U.S. Embassy Avenida La Paz, Tegucigalpa, Honduras Phone: (504) 2236-9320, ext. 4354, 4544 Fax: (504) 2236-8342 E-mail: AgTegucigalpa@fas.usda.gov Foreign Agricultural Service, U.S. Embassy Avenida Reforma 7-01 Zona 10 Guatemala, Ciudad 01010 Phone: (502) 2332-4030 Fax: (502) 2331-8293 E-mail: <u>AgGuatemala@fas.usda.gov</u>

For further information on exporting U.S. agricultural products to Honduras and other countries, please visit the Foreign Agriculture Service home page: <u>www.fas.usda.gov</u>