



# Sales of divided and repackaged health functional foods to be permitted, Pilot initiative to allow the sales of health functional foods by individuals

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## 1. Sales of divided and repackaged health functional foods to be permitted

Under the current Health Functional Foods Act, selling finished health functional foods after dividing and repackaging them in smaller portions is prohibited. Since 2020, however, recognizing the increasing interest in tailored health solutions, the Ministry of Trade, Industry and Energy (“MOTIE”) has introduced a pilot program to accommodate the growing demand for personalized health functional foods, allowing companies to sell customized health functional foods after filing an application to MOTIE.

During the experimental phase, the Ministry of Food and Drug Safety worked on revising the Health Functional Foods Act to introduce a new system for the sale of customized health functional foods. The amended Health Functional Foods Act is scheduled to take effect on January 3, 2025, after a one-year grace period. In addition, specific requirements will be outlined in subordinate laws, including reporting requirements for businesses selling customized health functional foods (e.g., facility standards), obligations to subscribe to liability insurance, and the qualifications and responsibilities of a customized health functional food manager, who oversees safety, hygiene management, and purchase consultation.

## 2. Pilot initiative to allow the sales of health functional foods by individuals

Starting as early as April 2024, the Ministry of Food and Drug Safety (“MFDS”) will initiate a one-year pilot project to

permit individuals to resell health functional foods, responding to the prevalent trend of such sales on second-hand trading platforms especially after holidays. These transactions were previously considered a health functional food sales business requiring business reporting. Transactions without this reporting were deemed illegal.

Acknowledging the demand for resale, often driven by gift purchases, the MFDS is preparing detailed guidelines specifying the scope of health functional foods permitted for resale, based on factors such as expiration date and storage conditions. Parameters including the number of transactions allowed and price standards will also be delineated. The MFDS intends to evaluate the outcomes of this pilot initiative before considering any revisions to existing laws.

The resale of health functional foods may have potential legal implications associated with the health issues, and the companies are urged to monitor developments closely and implement measures aimed at mitigating legal risks within this emerging resale market.

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