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Voluntary Public

Date: 8/31/2011

GAIN Report Number: KS1132

Korea - Republic of

Post: Seoul

Korea's Additional TRQ's for Eight Agricultural Products

Report Categories:

Trade Policy Monitoring

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Report Highlights:

On August 11, 2011, the Ministry of Strategy and Finance (MOSF) announced additional tariff-rate quotas (TRQs) for eight agricultural commodities including fresh fruits, fresh vegetables and chilled pork to stabilize consumer prices. The prices for fresh produce have been affected the most due to recent torrential rains.

General Information:

On August 11, 2011, the Ministry of Strategy and Finance (MOSF) announced additional TRQs for eight agricultural commodities including fresh fruits, fresh vegetables and chilled pork to stabilize consumer prices. The prices for fresh produce have been affected the most due to recent torrential rains.

The new tariffs for fresh fruits (bananas & pineapples) and fresh vegetables (Chinese cabbages and radishes) reduce rates to zero percent with unlimited volume until September 30, 2011. Simultaneously, the new TRQ extends the quota for fresh pork to unlimited volume until September 30, 2011. However, Korean processors are not interested in purchasing additional chilled pork as they already have secured the amount needed up to September. Most pork used in processing is frozen. In contrast, the removal of tariffs for fresh bananas and pineapples will help reduce the surging demand for local fruits and help boost imported fruits before the beginning of shipment of local fruits for the Chuseok Holidays in autumn. Additionally, the MOSF also reduced tariffs for manioc chips, malting barley and malt to zero percent until the end of 2011. See further details below.

HS NO.	Commodity	Base Tariff Rate	Effective Date	Tariff Rate Quota (%)		TRADE (MT)	
				In-quota Rate	2011 TRQ (MT)	2010 Imports	2010 Imports from U.S.
0803	Banana, Fresh or Dried	30	~9/30/2011	0	Unlimited	337,907	0
0804	Pineapples	30	~9/30/2011	0	Unlimited	60,565	0
0704	Chinese Cabbages	27	~9/30/2011	0	Unlimited	13,565	0
0706	Radish	30	~9/30/2011	0	Unlimited	6,117	0
0203	Pork, Fresh or chilled	22.5	~9/30/2011	0	Unlimited	4,655	2,701
0714	Manioc chips	20	1/1 - 12/31	0	100,000	40,273	0
1003	Malting Barley	30	1/1 - 12/31	0	30,250	12,750	0
1107	Malt	30	1/1 - 12/31	0	207,000	155,982	0

The Ministry of Strategy and Finance (MOSF)