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# **Korea, Republic of**

## **Fishery Products**

### **Korean Market for American Croaker**

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#### **Report Highlights:**

This Market Brief contains information about the market for American Croaker (*Micropogonias undulatus*) in Korea. This has been a subject of interest, particularly by the U.S. fishing industry in the Mid-Atlantic States. Our market research indicates that the local market deems the American Croaker to be significantly different in taste and other qualities than the local product. While the current adjustment tariff of 70 percent on croakers is "high", the reduction of the tariff would have a greater benefit to competing countries exporting the higher priced "Yellow Corvina" to Korea than it would to U.S. exporters.

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Seoul ATO [KS2], KS

## Korean Market for American Croaker

### Summary

The Korea Trade Information Service indicates that total imports of fish (HS 03) in Korea amounted to \$813 million during the first half of 2002, of which \$75 million came from the United States. Imports of frozen croakers in Korea totaled 3,128 metric tons valued at \$3.9 million during the first half of 2002, of which 221 metric tons valued at \$155,000 came from the United States. It is our understanding the catch of American croakers amount to over 10,000 metric tons a year.

It is reported that there are about 150 different species of croakers in the world, 80 species in the American coastal seas, 11 species in the Korean and Chinese coastal seas, 14 species in the Japanese coastal seas, 20 species in the European seas, and 30 species in the tropical countries' coastal seas.

The species we are focusing on in this report are:

English Name	Scientific Name
Brown croaker in Korean/Chinese Coastal seas:	Michtys miiuy
Croaker in the American coastal seas:	Micropogonias undulatus
Yellow Corvina (Yellow croaker) :	Pseudoscianena polyactis

Market research carried out by ATO Seoul reveals the following:

- ! The Korean tariff rate for croakers is "unbound" within the World Trade Organization, meaning there is no ceiling on the rates. The adjustment tariffs put in place by the Korean Customs Service are 70 percent for frozen croakers and 40 percent for live croakers, imposed on the CIF value regardless of the country of origin. The adjustment tariff for frozen croakers has been in place since 1997 when the tariff was 100 percent, and was reduced to 70 percent in 2001 from 80 percent in 2000. The tariff rate for yellow corvina is 10 percent.
- ! Fresh, or live croakers are generally used for sashimi (raw fish) and hot fish soup
- ! As the adjustment tariff rate drops, the countries that stand to benefit most from the tariff reduction will not be the United States, but those with higher priced products, such as China.
- ! Korean seafood importers and distributors report the following information about American croaker:
  - American croaker is different in taste, color and shape from the Chinese croaker.
  - One importer reports the American croakers have an unfamiliar odor

- The bones of American croakers are larger than Korean or Chinese croakers
- Croakers similar to those from the USA are generally widely available (and often at a lower price from Mexico, Brazil, Indonesia, etc.

! If the size of the croaker is the same, the price of Chinese croakers is about 4 times higher than that of American croakers. Chinese croakers are generally smaller than American croakers.

! The price of (Korean) yellow corvina is about 3 times higher than that of Chinese croakers, or the croakers caught in the yellow sea of the size is same. Yellow corvina is different from croakers.

The average import price (CIF price) of U.S. croakers averaged \$0.70 per kilogram, much lower than \$1.84 of Chinese croakers and \$1.25 of Guinea croakers during the first half of 2002. Because of the different taste and characteristics of croakers exported from the U.S. (Virginia) to Korea, it has been difficult for the United States to penetrate the Korean yellow corvina market. In order to garner a greater market share, steps toward developing the market for the U.S. products will likely need to be taken. This could include developing new Korean cuisine recipes better suited to the American croaker and finding new applications for the fish in existing recipes. Visits and additional market research by U.S. exporters or industry interests are also recommended.

#### 1. Imports of Frozen Croaker (HS 0303.79.9095)

Unit: Value = \$000, Weight = Metric ton

Country	1998	1999	2000	2001	2002 Jan-Jun
China	V: 778 W: 333	V: 1,184 W: 759	V: 1,430 W: 574	V: 1,255 W: 613	V: 1,254 W: 680
Guinea	V: 31 W: 19	V: 886 W: 504	V: 1,538 W: 861	V: 2,178 W: 1,399	V: 1,267 W: 1,013
Spain	V: 0 W: 0	V: 474 W: 388	V: 227 W: 194	V: 154 W: 149	V: 23 W: 23
USA	V: 0 W: 0	V: 151 W: 148	V: 142 W: 187	V: 25 W: 64	V: 155 W: 221
G. Bissau	V: 0 W: 0	V: 13 W: 10	V: 977 W: 872	V: 117 W: 99	V: 764 W: 678
Argentina	V: 804 W: 668	V: 0 W: 0	V: 50 W: 52	V: 0 W: 0	V: 0 W: 0

Others	V: 182 W: 249	V: 458 W: 440	V: 515 W: 541	V: 325 W: 404	V: 425 W: 513
Total	V: 1,795 W: 1,269 P: 1.41	V: 3,166 W: 2,249 P: 1.41	V: 4,879 W: 3,281 P: 1.49	V: 4,054 W: 2,728 P: 1.49	V: 3,888 W: 3,128 P: 1.24

V=value, W=weight, P=average CIF price per kilogram

## 2. Imports of Frozen Yellow Corvina (HS 0303.79.6000 )

Unit: Value = \$000, Weight = Metric ton

Country	1998	1999	2000	2001	2002 Jan-Jun
China	V: 52,148 W:19,167	V:130,848 W: 54,121	V:140,762 W: 58,579	V: 146,530 W: 70,060	V: 67,640 W:24,412
Vietnam	V: 86 W: 17	V: 347 W: 114	V: 155 W: 44	V: 120 W: 69	V: 163 W: 76
Japan	V: 149 W: 89	V: 79 W: 37	V: 136 W: 100	V: 182 W: 133	V: 6 W: 1
USA	V: 0 W: 0	V: 14 W: 3	V: 75 W: 25	V: 0 W: 0	V: 0 W: 0
Malaysia	V: 5 W: 1	V: 4 W: 1	V: 0 W: 0	V: 0 W: 0	V: 0 W: 0
Others	V: 20 W: 8	V: 4 W: 5	V: 51 W: 25	V: 1 W: 1	V: 64 W: 46
Total	V: 52,408 W:19,282 P: 2.72	V:131,296 W: 54,281 P: 2.42	V:141,179 W: 58,773 P: 2.40	V:146,833 W: 70,263 P: 2.09	V: 67,873 W:24,535 P: 2.77

V=value, W=weight, P=average CIF price per kilogram

Sources: Korea Trade Information Service, compiled by ATO Seoul