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# Korea, Republic of

# Oilseeds and Products

# Annual

# 2008

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**Report Highlights:**
Soybean imports are expected to remain flat at 1.2 mmt in MY07/08. U.S. market share is facing competition from South American soybeans that have improved in quality and Indian meals that are lower in price. Despite the general upward trend, total imports of soybean meal are expected to drop slightly in MY08/09 to 1.7 mmt due to a lack of growth in the domestic livestock industry. The demand for U.S. meal however, is growing as local feed millers are beginning to recognize the value of dehulled meal. Demand for soybean oil for the biodiesel industry is expected to increase significantly to 490,000 tons in coming year.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Seoul [KS1]
[KS]

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## SECTION I. SITUATION AND OUTLOOK

The mature Korean soybean market has seen a decline in U.S. market share in recent years due to the improvement in the quality and marketing system of South American soybeans. Total imports are expected to remain flat over the next three to five years as local crushers have reached their maximum crushing capacity and due to the difficulty in competing with imported meals and oils from South America and India, there are no plans to increase the crushing capacity. Approximately 75 percent of imported soybeans are used for crushing and the remaining 25 percent is used for food processing.

In the October/September 2006/2007 marketing year, Korea was the ninth largest market for U.S. soybeans, down from eighth place the previous year. The new LMO Act, effective January 1, 2008, has only had limited impact on imports of U.S. soybeans. Lower domestic production last year increased prices to the point where this year, production may increase slightly. Nevertheless, domestic production, primarily used for traditional foods, is expected to remain limited despite government support programs. Oilseed imports will continue to remain necessary because domestic production will always be insufficient to meet the local demand for feed and food quality beans.

The outlook for U.S meal and oil is more positive as many feed millers are beginning to recognize the benefits of dehulled meal and the local bio-diesel industry is growing. Total imports of soybean meal are expected to drop slightly in the next year due to a lack of growth in the domestic swine and poultry numbers. The bio-diesel industry's preference for soybean oil over other oils will significantly increase the demand for soybean oil in the coming year.

## OILSEEDS

***Production:*** In MY 2008/09, Korea's soybean area is expected to return to previous levels of around 85,000 hectares after the unexpected decline due to unfavorable weather conditions last year. The drop in production in MY 2007/08 resulted in increased farm gate prices; the main reason soybean production is forecast to increase to 135,000 metric tons in MY 2008/09 (assuming a five-year average yield).

| Korea: Soybean Production | | | |
|---|---|---|---|
| Crop Year | Area (ha) | Yield (kg/ha) | Production (mt) |
| 1985 | 155,964 | 1,500 | 233,863 |
| 1990 | 152,265 | 1,529 | 232,786 |
| 1995 | 105,035 | 1,520 | 159,640 |
| 1999 | 87,026 | 1,334 | 116,120 |
| 2000 | 86,176 | 1,314 | 113,196 |
| 2001 | 78,415 | 1,501 | 117,723 |
| 2002 | 80,804 | 1,423 | 115,024 |
| 2003 | 80,447 | 1,306 | 105,089 |
| 2004 | 85,270 | 1,625 | 138,570 |
| 2005 | 105,421 | 1,739 | 183,338 |
| 2006 | 90,248 | 1,733 | 156,404 |
| 2007 | 76,267 | 1,498 | 114,245 |

Source: Ministry of Agriculture and Forestry

Since 2002, the government has tried to encourage rice farmers to grow soybeans, which has led to three consecutive bumper soybean crops. Since 2005, however, the government has gradually lowered the purchasing price for soybeans grown in paddy areas and as a result, this government program has become less important and growers are more likely to sell their product at local markets, especially this year now that prices have gone up. In MY 20007/08, the government only purchased 3,403 tons of soybeans grown in converted rice paddies and 949 tons of soybeans grown in upland production areas.

***Consumption:*** Total soybean consumption is forecast to remain stagnant in MY 2008/09 at a level of 1.30 million tons comprised primarily of 900,000 tons for crushing and 400,000 tons for food use. Crushing use is expected to remain unchanged for the next few years as the current crushing capacity is close to its maximum of one million tons. One crushing facility was shut down in 2004 and another was streamlined in 2006. Lack of growth in the crushing demand also reflects narrow crushing margins due to growing competition from imported oil and meal from South America and India. Soybeans for food use are expected to increase slightly due to an increase in local production. Food grade soybeans are used primarily for traditional foods, such as soybean curd, soy-sauce, soy paste, soymilk and soybean sprout. Korea is feeling the pain of the global grain crisis. This past year, small tofu makers have been having trouble sourcing product as the international market price for soybeans has almost doubled.

***Trade:*** Soybean imports are expected to remain flat at 1.2 million tons in MY 2008/09 reflecting the unchanging demand from the crushing and food processing sectors. The United States is projected to export about 600,000 tons of soybeans, roughly half of total imports in both MY 2007/08 and MY 2008/09. U.S. soybean exports to Korea compete with Brazil for crushing and with China for food uses. Korean crushers claim that Brazilian soybeans purchased during the six-month period following their harvest have a higher oil and protein content than U.S. soybeans available during the same period. They mix U.S. and Brazilian soybeans to meet the 47.5 percent protein level required for high protein meal.

Despite the existence of signed contracts, imports of soybeans from China remain questionable for the remainder of this year as the Chinese government has announced that it will impose grain taxes to control exports of soybeans. The Korea Agro-Fishery Trade Corporation (“aT”) is expected to continue to buy U.S. No. 1 non-biotech-enhanced soybeans for food processing through an identity preserved (IP) certification system under the TRQ. The aT had purchased 150,000 tons of soybeans for food use under the 2008 tariff rate quota (TRQ); 50,000 MT from the United States and 100,000 tons from China. However, the Chinese defaulted on the first shipment of 25,000 MT and it is very unlikely they will fulfill any of their remaining contracts. In order to fill the remaining quantity available under the 2008 TRQ, the “aT” plans to hold non-GM soybean tenders for 75,000 tons with arrival in the second half of 2008 . Nevertheless, local agents are worried that they will not be able to meet the bidding requirements for a 25,000-ton cargo size shipment due to the limited availability of non-GM soybeans. About 20,000 tons of soybeans for sprouting purposes are also included in the TRQ. In the past, China has been the major supplier of soybeans for sprouting. Private Korean buyers import about 60,000 tons of soybeans for food purposes, but this year it is expected that this amount will be significantly reduced due to higher prices. Imports by private buyers are subject to the out-of-quota import tariff of 487 percent or Korean Won 956/kg, whichever is greater.

***Biotech Soybeans***: Effective January 1, 2008, Korea implemented a new Living Modified Organism (LMO) Act. It was expected that the new Act would provide an advantage to Chinese soybeans as they are not subject to documentation and testing requirements provided the shipment is accompanied with a government LMO-free certificate. However, competition from Chinese non-GM crushing soybeans is unlikely as exportable supplies are negligible. To date, the LMO Act has not had a consequential impact on imports from the U.S. as Brazil is also shipping Roundup Ready soybeans

The first shipment of soybeans under LMO Act arrived in Inchon Port on February 7, 2008; the shipment started discharging on the 8th and it was completed on the 12th as usual. Crushers have three more contracts to be loaded from the United States with arrival from March through April and four contracts to be loaded from Brazil with arrival from June through September.

| Contract Status of Soybeans for Crushing | | | | |
|---|---|---|---|---|
| **Contract Date** | **Supplier** | **Quantity (mt)** | **ETA** | **Origin** |
| 31-Oct-07 | ADM | 45,000 | **2/7/2008** | USA |
| 16-Nov-07 | ADM | 45,000 | 3/4/2008 | USA |
| 10-Dec-07 | ADM | 55,000 | 3/18/2008 | USA |
| 10-Dec-07 | ADM | 55,000 | 4/15/2008 | USA |
| 20-Nov-07 | Bunge | 55,000 | 6/10/2008 | Brazil |
| Na | Bunge | 55,000 | July 2008 | Brazil |
| Na | Bunge | 55,000 | August 2008 | Brazil |
| Na | Bunge | 55,000 | September 2008 | Brazil |
| **Grand Total** | | **420,000** | | |

Source: Local Crushing Industry

| Contracts Status of Food Grade Soybeans | | | |
|---|---|---|---|
| **Supplier** | **Quantity(MT)** | **ETA** | **Origin** |
| ADM | 25,000 | **3/5/2008** | USA |
| na | 25,000 | March 2008 | China |
| na | 25,000 | April 2008 | China |
| na | 25,000 | May 2008 | China |
| Bunge | 25,000 | June 2008 | USA |
| Total | 125,000 | | |

Source: Korea Agro-Fishery Trade Corporation (aT)

## MEAL

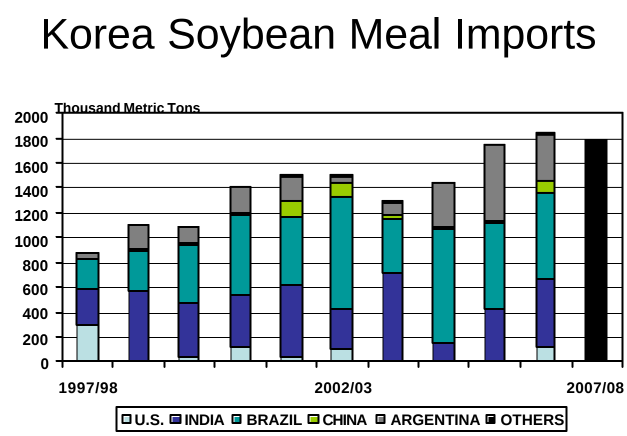
***Production:*** Within the current crushing capacity local crushers expect the crush to be flattened at 900,000 tons of soybeans for the time being. Thus, the production of soybean meal in MY 2008/09 is expected to remain at around 700,000 tons on a 44 percent crude protein basis.

The domestic crushing industry, CJ Corp and Sajo O&F Co Ltd., have shifted to production of dehulled soybean meal (hipro meal) to meet the increasing demand from feed millers in an effort to restore their competitiveness against meal imported from South America and India. Meals produced by local crushers take three different forms, hipro dehulled meal with a minimum of 47.0% protein and semi-dehulled meal with 45% protein or 46% protein. CJ produces 47.5% protein dehulled meal and 45% protein meal in a ratio of 40:60, while Sajo produces 46% and 45% protein meal in a ratio of 30:70. The figures mean that dehulled soybean meal containing 47.0 percent of crude protein (minimum) accounted for 28 percent of locally crushed soybean meal production in CY 2007. The domestic supply of hulls increased from 38,000 tons in CY 2006 to 42,500 tons in CY 2007. About 40 Total Mixed Ration (TMR) manufacturers have consumed the soy hulls as a roughage and energy source for dairy cattle.

***Consumption:*** Feed demand for soybean meal has room for growth given the low soybean meal-inclusion rate in animal rations relative to the levels animal nutritionists generally recommend. Compound feed production in MY 2008/09 is projected to remain stagnant in response to marginal growth in cattle and swine inventories due to the anticipated resumption of beef imports from the United States as well as skyrocketing feed prices. Poultry numbers are expected to remain stable. As a result, soybean meal consumption is expected to stay around 2.5 million tons in MY 2008/09, a third of which will be met by locally processed soybean meal. Korean feed millers claim to prefer soybean meal to other oil meals because the supply of soybean meal has been more reliable. The U.S market share of total soybean meal consumption is calculated at about 20 percent based upon a combination of locally processed meal using U.S. soybeans and imported U.S. meal.

The rapeseed meal inclusion rate will remain at around less than 2 percent of total compound feed production due to limited demand. As the price has sharply risen, rapeseed meal consumption for fertilizer has been replaced by imported castor meal.

***Trade:*** In MY 2008/09, the import of soybean meal is forecast to stay around 1.8 million tons for feed purposes as the needs of the livestock industry is expected to decline. South American and Indian soybean meal dominates the market because Korean feed and livestock industries have traditionally purchased based on price; however, U.S. soybean meal is expected to reach 150,000 tons in 2008/09 to meet the greater demand of feed millers who recognize the value of dehulled soybean meal. Whenever U.S. prices are attractive vis-à-vis South American meals, Korea feed millers usually opt for U.S. dehulled soybean meal for swine, poultry and aquaculture feed. U.S. soybean meal exports to Korea are expected to reach 100-150,000 tons in 2007/08 based on the buying contracts to date. U.S. hipro dehulled soybean meal is currently perceived to have a premium value ranging from US$ 12-19 per ton over South American meal.




When the KORUS FTA is ratified, U.S. meal will become more competitive at a zero percent import duty compared with the one percent duty on other origin meal under the autonomous TRQ.

## OIL

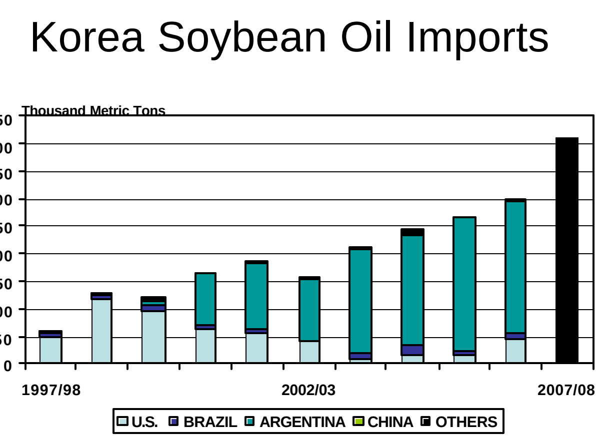
***Production:*** Narrow crushing margins are expected to continue and limit crusher interest in expanding oil production through MY 2008/09. In MY 2008/09, soybean oil production is forecast to remain unchanged from the previous year at 164,000 tons because current crushing capacity limits the annual production of soybean oil to one million tons of soybean crushed in an annual maximum.

Total soybean oil supply is expected to increase to 674,000 tons in MY 2008/09 to meet domestic consumption including the greater demand created by the production of bio-diesel, which is under the government-set bio-diesel(BD) project aiming at BD 1 percent in CY 2008 and BD 1.5 percent in CY 2009 to supply 180,000 kiloliters and 270,000 kiloliters, respectively. (Please refer to KS7052 for more information about Korea's biodiesel industry.)

***Consumption:*** Total soybean oil consumption is expected to increase to 650,000 tons in MY 2008/09 due to the greater demand from bio-diesel industry. Growing concerns among the Korean public about trans-fats from hydrogenated soybean oils have dampened the demand for soybean oil for food processing relative to substitutes. A mandatory labeling law took effective from December 1st 2007. Local crushers have developed a technology using enzymes to produce trans-fat free soybean oil products.

Although soybean oil has dominated the vegetable oil market in Korea, it is not competitive for use in restaurants and processing of oil-based foods. The functionality and price of palm oil has met demand in this area much better than soybean oil. However, edible oil related issues such as trans-fat of soybean oil, benzopyrene of olive oil and consumer's unfavorable image of palm oil have forced consumers to find other vegetable oils like sunflower oil, canola oil and corn oil since CY 2006. Thus, some confectionary companies have replaced palm oil with alternative vegetable oils like rice bran oil for their confectionary products in CY 2007.

***Trade:*** MY 2008/09 soybean oil imports are forecast to increase to 490,000 tons, a sharp increase due to greater demand for bio-diesel in MY 2008/09. Imports of soybean oil have increased to more than a third of total oil imports in recent years. Soybean oil imported from South America has been competitive with domestically produced soybean oil derived from imported soybeans. Food processors that use soybean oil as an input and restaurants have come to rely heavily on imported soybean oil while locally processed soybean oil has focused on home use. In MY 2007/08, soybean oil imports are expected to increase to 410,000 tons, up 36 percent from the previous year to meet the greater demand for bio-diesel industry to make BD 1 percent in CY 2008.




In MY 2008/09, palm oil imports are projected to stay around 190,000 tons due to the stagnant demand from the food industry and the bio-diesel industry as the price has increased substantially this past year. The Korean confectionary industry is further trying to replace palm oil with other vegetable oils to cope with the unfavorable image that consumers have regarding palm oil.

The Korean government reached an agreement with five major local petroleum refineries to expand the rate of bio-diesel from DB 0.5 in CY 2007 to DB 1.5 in CY 2009, supplying 270,000 kiloliters of bio-diesel through their gas stations across the nation. Registered bio-diesel plants with a total annual capacity of 531,520 tons are expected to use imported soybean oil and recycled soybean oil as major raw materials in MY 2007/08. However, some bio-diesel producers have currently tried to develop a processing technology adapting palm oil as an alternative raw material.

**TARIFFS**

The Ministry of Finance and Economy (MOFE) of the Republic of Korea announced adjustment tariffs for 2008 and tariff rate quotas (TRQs) for the period January 1 - June 30, 2008. The TRQs will be reviewed in May and another announcement will be made for the July 1 - December 31, 2008. (Please see KS8003 for more information about Korea's TRQs).

The in-quota tariff rate for soybeans for crushing purposes declined to zero percent from the previous one percent for the autonomous quota amount of 1.2 million tons for the first half of CY 2008. The in-quota tariff rate for soybeans for food processing purposes remains unchanged at five percent for the quota amount of 247,787 tons in CY 2008 under the Country Schedule of the 1994 Uruguay Round Agreement. The out-of-quota tariff rate for soybeans is 487 percent or 956 Korean won per kg, whichever is greater.

An autonomous TRQ was established for soybean meal of 1.65 million tons for the first half of CY 2008. The in-quota rate remains unchanged at one percent. An autonomous TRQ for cottonseed meal and copra meal was newly established with 120,000 MT and 300,000 MT, respectively, for the first half of CY 2008. The TRQ rate was reduced to one percent from the previous 2 percent rate.

Soybean oil and cottonseed oil tariff rates in 2007 remain in line with the terms of the 1993 U.S./Korean bilateral agreement. Tariff rates of rapeseed oils remains unchanged from the previous 10 percent for refined oils and 8 percent of crude oils, respectively.

***Korea–U.S. Free Trade Agreement:*** Under the KORUS FTA, the Korean tariffs on soybeans for crushing will decline from the current 1 percent autonomous tariff to zero upon implementation of the agreement. For food–quality soybeans, Korea will establish a zero tariff rate quota (TRQ) of 10,000 tons in the first year of the agreement, increasing to 20,000 tons in year two and 25,000 tons in year three. For years four and beyond, the TRQ grows three percent annually in perpetuity.

In 2007, the TRQ for food-quality soybeans reportedly charged a markup of US$266 per metric ton, which included handling costs. This markup was based on a weighted average of selling price and the average exchange rate for 2007. Based on trade data, Korea's average 2007 import price for soybeans used for food was US$413 per ton. The KORUS FTA TRQ will be administered by an association of food-grade soybean processors and will give U.S. suppliers direct market access to Korean soybean processors. The association of soybean processors, which includes the Korea Federation of Soybean Curd Industry Cooperatives, Korea Soy Sauce Industrial Cooperative, Korea Food Industry Association and other appropriate associations representing processors of soybeans will administer this TRQ through the Korea Agro-Fisheries Trade Corporation (aT).

## SECTION II. STATISTICAL TABLES OF OILSEED

### Soybean, Oilseed PS&D

# PSD Table

**Country** Korea, Republic of
**Commodity** Oilseed, Soybean

(1000 HA)(1000 MT)

| | 2006 | Revised | | 2007 | Estimate | | 2008 | Forecast | | UOM |
|---|---|---|---|---|---|---|---|---|---|---|
| | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | |
| **Market Year Begin** | | 10-2006 | 10-2006 | | 10-2007 | 10-2007 | | 10-2008 | 10-2008 | MM/YYYY |
| Area Planted | 100 | 0 | 90 | 100 | 0 | 76 | 0 | 0 | 85 | (1000 HA) |
| Area Harvested | 90 | 0 | 90 | 85 | 0 | 76 | 0 | 0 | 85 | (1000 HA) |
| Beginning Stocks | 70 | 0 | 125 | 83 | 0 | 100 | 47 | 0 | 100 | (1000 MT) |
| Production | 156 | 0 | 156 | 140 | 0 | 114 | 0 | 0 | 135 | (1000 MT) |
| MY Imports | 1231 | 0 | 1231 | 1225 | 0 | 1200 | 0 | 0 | 1200 | (1000 MT) |
| MY Imp. from U.S. | 575 | 0 | 600 | 625 | 0 | 600 | 0 | 0 | 600 | (1000 MT) |
| MY Imp. from EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Total Supply | 1457 | 0 | 1512 | 1448 | 0 | 1414 | 47 | 0 | 1435 | (1000 MT) |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Exp. to EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Crush | 900 | 0 | 964 | 925 | 0 | 900 | 0 | 0 | 900 | (1000 MT) |
| Food Use Dom. Cons. | 425 | 0 | 408 | 425 | 0 | 374 | 0 | 0 | 395 | (1000 MT) |
| Feed Waste Dom. Cons. | 49 | 0 | 40 | 51 | 0 | 40 | 0 | 0 | 40 | (1000 MT) |
| Total Dom. Cons. | 1374 | 0 | 1412 | 1401 | 0 | 1314 | 0 | 0 | 1335 | (1000 MT) |
| Ending Stocks | 83 | 0 | 100 | 47 | 0 | 100 | 0 | 0 | 100 | (1000 MT) |
| Total Distribution | 1457 | 0 | 1512 | 1448 | 0 | 1414 | 0 | 0 | 1435 | (1000 MT) |
| CY Imports | 1275 | 0 | 1185 | 1325 | 0 | 1200 | 0 | 0 | 1200 | (1000 MT) |
| CY Imp. from U.S. | 600 | 0 | 499 | 650 | 0 | 600 | 0 | 0 | 600 | (1000 MT) |
| CY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |

**Soybean Import Trade Matrix**

# Import Trade Matrix

**Country** Korea, Republic of
**Commodit** Oilseed, Soybean

| | | | |
|---|---|---|---|
| Time Period | OCT/SEP | Units: | 1,000MT |
| Imports for: | 2005 | | **2006** |
| U.S. | 514 | U.S. | 600 |
| Others | | Others | |
| Brazil | 620 | Brazil | 473 |
| China | 56 | China | 134 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total for Others | 676 | | 607 |
| Others not Liste | 0 | | 24 |
| Grand Total | 1190 | | 1231 |

Source: Korea Customs Service (KCS)

| Korea: Oilseed Area and Production (Hectares and Metric tons) | | | | |
|---|---|---|---|---|
| Crops | 2006 | | 2007 | |
| | Area | Production | Area | Production |
| Soybean | 90,248 | 156,404 | 76,267 | 114,245 |
| Rapeseed | 669 | 739 | 622 | 700[1/] |
| Peanuts[2/] | 2,970 | 6,354 | 3,318 | 7,000[1/] |
| Sesame | 31,077 | 15,489 | 31,321 | 17,506 |
| Perilla | 26,652 | 24,199 | 28,506 | 25,000[1/] |
| Total | 151,616 | 203,185 | 140,034 | 164,451[1/] |

Source: Ministry of Agriculture and Forestry
Notes:
1/ FAS/Seoul estimates.
2/ In-shell

| Korea: Government Purchases of Soybeans | | | | | |
|---|---|---|---|---|---|
| Year | Grown in rice paddy area | | Grown in upland area | | Total Purchase (mt) |
| | Price (KRW/Kg)1/ | Quantity (mt) | Price (KRW/Kg)1/ | Quantity (mt) | |
| 2002 | 4,770 | 2,526 | 2,407 | 2,500 | 5,026 |
| 2003 | 4,770 | 5,438 | 2,407 | 0 | 5,438 |
| 2004 | 4,770 | 10,462 | 2,407 | 0 | 10,462 |
| 2005 | 4,204 | 9,200 | 3,107 | 3,000 | 12,200 |
| 2006 | 3,526 | 10,931 | 3,107 | 2,112 | 13,043 |
| 2007 | 3,017 | 3,403 | 3,017 | 949 | 4,352 |

Source: Korea Agro-Fishery Trade Corporation (aT)
Note:
1/ based on No. 1 grade of large-sized kernel

| Korea: Soybean Farm Gate Price Index | | |
|---|---|---|
| Year and Months | Price Index | |
| 2000 | 100 | |
| 2001 | 91.7 | |
| 2002 | 94.1 | |
| 2003 | 111.2 | |
| 2004 | 124.3 | |
| 2005 | 105.7 | |
| 2006 | 86.6 | |
| | | |
| **Month** | **2006** | **2007** |
| January | 93.9 | 85.1 |
| February | 92.3 | 86.8 |
| March | 91.6 | 88.2 |
| April | 91.2 | 88.0 |
| May | 89.4 | 88.1 |
| June | 88.6 | 88.2 |
| July | 87.6 | 87.3 |
| August | 87.3 | 86.0 |
| September | 88.1 | 85.3 |
| October | 86.5 | 91.4 |
| November | 84.3 | 98.8 |
| December | 84.8 | 100.4 |

Source: National Livestock Cooperative Federation (NACF)

| Korea: Soybean Imports for Oct.-Dec. by Origin (Unit: MT) | | | | | |
|---|---|---|---|---|---|
| Soybean for Crushing (HS1201.00.1000) | | | | | |
| MY2007/08 | USA | Brazil | China | Others | Total |
| Oct. 2007 | 16,596 | 34,916 | 0 | 0 | 51,532 |
| Nov | 24,760 | 82,722 | 0 | 0 | 107,482 |
| Dec | 31,676 | 45,280 | 0 | 0 | 76,956 |
| **Subtotal** | **73,032** | **162,918** | **0** | **0** | **235,950** |
| MY2006/07 a/ | 150,775 | 140,373 | 20 | 0 | 291,168 |
| Soybean for Food (HS1201.00.9010 & HS1201.00.9090) | | | | | |
| MY2007/08 | USA | Brazil | China | Others | Total |
| Oct. 2007 | 0 | 3,100 | 1446 | 0 | 4,456 |
| Nov | 303 | 2,000 | 8,645 | 0 | 10,948 |
| Dec | 4,600 | 4,400 | 30,471 | 20 | 39,491 |
| **Subtotal** | **4,903** | **9,500** | **40,562** | **20** | **54,985** |
| MY2006/07 a/ | 27,718 | 3,800 | 14,404 | 0 | 45,922 |
| Total | | | | | |
| MY2007/08 | USA | Brazil | China | Others | Total |
| Oct. 2007 | 16,596 | 38,016 | 1,446 | 0 | 56,058 |
| Nov | 25,063 | 84,722 | 8,645 | 0 | 118,430 |
| Dec | 36,276 | 49,680 | 30,471 | 20 | 116,447 |
| **Subtotal** | **77,935** | **172,418** | **40,562** | **20** | **290,935** |
| MY2006/07 a/ | 178,493 | 144,173 | 14,424 | 0 | 337,090 |

Source: Korea Customs Service (KCS)
a/ October – December 2006

| Korea: Distribution, by State Trading Entities, of Soybeans for Food Manufacturing (Calendar Year, Metric Ton) | | | |
|---|---|---|---|
| Item\Year | 2005 | 2006 | 2007 |
| Soybean Curd | 125,274 | 123,000 | 117,500 |
| Soy Sauce | 44,500 | 45,000 | 42,000 |
| Soy Paste | 3,824 | 3,000 | 3,300 |
| Soy Milk | 26,478 | 28,000 | 27,000 |
| Others 1/ | 1,360 | 500 | 320 |
| Sub. Total | 201,436 | 199,500 | 190,120 |
| By product 2/ | 30,930 | 27,000 | 27,000 |
| Grand Total | 232,366 | 226,500 | 217,120 |

Note: Quantity is on the basis of cleaned soybeans.
1/ Government, military employees and others
2/ Feed
Source: Korea Agro-Fishery Trade Corporation (KATC)

| Korea: Soybean Consumption for Crushing (Metric Ton) | | | |
|---|---|---|---|
| Month | MY 05/06 | MY 05/06 | MY 06/07 |
| October | 66,300 | 81,000 | 64,000 |
| November | 73,100 | 83,000 | 86,500 |
| December | 65,700 | 83,300 | 80,200 |
| January | 64,500 | 88,800 | Na |
| February | 57,500 | 72,700 | Na |
| March | 83,300 | 88,600 | Na |
| April | 78,400 | 68,500 | Na |
| May | 78,000 | 77,900 | Na |
| June | 81,300 | 80,900 | Na |
| July | 84,600 | 87,200 | Na |
| August | 79,500 | 83,200 | Na |
| September | 92,700 | 69,300 | Na |
| Total | 874,900 | 964,400 | Na |

Source: Korea Soybean Processing Association

| Korea: Soybean Crushing Capacity (As of January 2008) | | |
|---|---|---|
| Soybean Crusher | Capacity (mt/day) | Location |
| Sajo O&F | 1,000 | Inchon |
| CJ Corp | 2,000 | Inchon |
| Total | 3,000 | |

Source: Soybean Crushing Industry
Note: Day=24 hours processing basis for 330 days

| Korea: Oilseed Imports (Metric Tons, $1,000) | | | | |
|---|---|---|---|---|
| | MY 2005/06 | | MY 2006/07 | |
| | Volume | Value | Volume | Value |
| Soybean | 1,190,465 | 348,308 | 1,231,076 | 391,870 |
| Peanuts, in shell | 317 | 188 | 501 | 357 |
| Peanut, shelled | 2,220 | 1,572 | 2,436 | 2,104 |
| Linseed | 315 | 208 | 291 | 227 |
| Rapeseed | 22 | 42 | 7 | 7 |
| Sunflower Seed | 3,207 | 3,231 | 2,103 | 2,364 |
| Cottonseed | 130,993 | 23,152 | 138,452 | 27,163 |
| Castor Bean | 9 | 6 | 1 | 1 |
| Sesame Seed | 77,504 | 74,401 | 64,843 | 70,043 |
| Mustard Seed | 2,225 | 1168 | 2,083 | 1,098 |
| Safflower Seed | 389 | 197 | 255 | 136 |
| Perilla Seed | 21,367 | 13,680 | 27,977 | 19,737 |
| Total | 1,428,583 | 466,153 | 1,470,025 | 515,107 |

Source: Korea Customs Service

| Korea: Soybean Powder Imports (MT, $1,000) | | | | |
|---|---|---|---|---|
| Country | 2006 | | 2007 | |
| | Quantity | Value | Quantity | Value |
| U. S .A | 1,062 | 931 | 1,575 | 884 |
| China | 19,303 | 8,984 | 22,754 | 12,640 |
| Australia | 246 | 329 | 668 | 1,216 |
| Others | 170 | 127 | 395 | 195 |
| Total | 20,781 | 10,370 | 25,392 | 14,935 |

Source: Korea Customs Service

| Korea: Applied Tariff Schedule For Oilseeds (Percent) | | | | |
|---|---|---|---|---|
| Commodity | H.S. Code | 2006 | 2007 | 2008 |
| Soybean 1/ | 1201.00.xxxx | 5(1) | 5(1) | 5(0) |
| Peanuts, in Shell 2/ | 1202.10.0000 | 40 | 40 | 40 |
| Peanuts, Shelled 2/ | 1202.20.0000 | 24 | 24 | 24 |
| Copra | 1203.00.0000 | 3 | 3 | 3 |
| Linseed | 1204.00.0000 | 3 | 3 | 3 |
| Rapeseed 3/ | 1205.xx.xxxx | 20(10) | 10 | 10 |
| Sunflower Seed | 1206.00.0000 | 25 | 25 | 25 |
| Cottonseed | 1207.20.0000 | 3 | 3 | 3 |
| Sesame Seed 4/ | 1207.40.0000 | 40 | 40 | 40 |
| Mustard Seed | 1207.50.0000 | 3 | 3 | 3 |
| Perilla Seed 5/ | 1207.99.1000 | 40 | 40 | 40 |
| Castor Beans | 1207.99.4000 | 3 | 3 | 3 |
| Safflower Seed | 1207.99.5000 | 3 | 3 | 3 |
| Others | 1207.99.9000 | 3 | 3 | 3 |

Source: Korea Customs Research Institute, Tariff Schedules of Korea.
Note: The Seed Industry Act restricts imports of listed commodities for planting seed purposes.
1/ The number in parenthesis is the in-quota tariff rate assessed on the first 1.2 million tons of soybeans imported for crushing purposes for the first half of CY 2008. An applied duty rate of 5 percent is applied to the 247,787 tons of food grade soybeans imported by the Korea Agro-Fishery Trade Corporation (aT) under the TRQ, which includes 20,000 MT of soybeans for sprouting. Soybeans imported out-of-quota by private importers are assessed a tariff rate of 487 percent or Korean won 956/Kg, whichever is greater.
2/ The in-quota amount is 4,907.3 tons on a shelled basis. Peanuts imported out-of-quota are assessed a tariff of 230.5 percent.
3/ The number in parenthesis is the applied (temporary) duty on all rapeseed imported excluding planting seed purpose.
4/ The in-quota amount is 75,000 tons. Sesame imported out-of-quota is assessed a tariff of 630 percent or Korean won 6,660/Kg, whichever is greater.
5/ or Korean won 410/Kg, whichever is greater.

## SECTION II. STATISTICAL TABLES OF MEALS

### Soybean Meal PS&D

| Country | Korea, Republic of | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Commodity | Meal, Soybean | | | | | | (1000 MT)(PERCENT) | | | |
| | 2006 | Revised | | 2007 | Estimate | | 2008 | Forecast | | UOM |
| | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | |
| **Market Year Begin** | | 10-2006 | 10-2006 | | 10-2007 | 10-2007 | | 10-2008 | 10-2008 | MM/YYYY |
| Crush | 900 | 0 | 964 | 925 | 0 | 900 | 0 | 0 | 900 | (1000 MT) |
| Extr. Rate, 999.9999 | 0.798889 | 0 | 0.791494 | 0.796757 | 0 | 0.792222 | 0 | 0 | 0.792222 | (PERCENT |
| Beginning Stocks | 275 | 0 | 200 | 203 | 0 | 200 | 180 | 0 | 198 | (1000 MT) |
| Production | 719 | 0 | 763 | 737 | 0 | 713 | 0 | 0 | 713 | (1000 MT) |
| MY Imports | 1870 | 0 | 1848 | 2000 | 0 | 1800 | 0 | 0 | 1700 | (1000 MT) |
| MY Imp. from U.S. | 100 | 0 | 122 | 100 | 0 | 150 | 0 | 0 | 150 | (1000 MT) |
| MY Imp. from EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Total Supply | 2864 | 0 | 2811 | 2940 | 0 | 2713 | 180 | 0 | 2611 | (1000 MT) |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Exp. to EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Industrial Dom. Cons. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Food Use Dom. Cons. | 23 | 0 | 17 | 23 | 0 | 15 | 0 | 0 | 15 | (1000 MT) |
| Feed Waste Dom. Cons. | 2638 | 0 | 2594 | 2737 | 0 | 2500 | 0 | 0 | 2400 | (1000 MT) |
| Total Dom. Cons. | 2661 | 0 | 2611 | 2760 | 0 | 2515 | 0 | 0 | 2415 | (1000 MT) |
| Ending Stocks | 203 | 0 | 200 | 180 | 0 | 198 | 0 | 0 | 196 | (1000 MT) |
| Total Distribution | 2864 | 0 | 2811 | 2940 | 0 | 2713 | 0 | 0 | 2611 | (1000 MT) |
| CY Imports | 1825 | 0 | 1916 | 1875 | 0 | 1800 | 0 | 0 | 1700 | (1000 MT) |
| CY Imp. from U.S. | 135 | 0 | 123 | 150 | 0 | 150 | 0 | 0 | 150 | (1000 MT) |
| CY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| SME | 2661 | 0 | 2611 | 2760 | 0 | 2515 | 0 | 0 | 2415 | (1000 MT) |

**Soybean Meal Import Trade Matrix**

# Import Trade Matrix

**Country** Korea, Republic of
**Commodit** Meal, Soybean

| | | | |
|---|---|---|---|
| Time Period | OCT/SEP | Units: | 1,000MT |
| Imports for: | 2005 | | **2006** |
| U.S. | 11 | U.S. | 123 |
| Others | | Others | |
| Brazil | 696 | Brazil | 696 |
| India | 411 | India | 544 |
| Argentina | 609 | Argentina | 381 |
| China | 18 | China | 96 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total for Others | 1734 | | 1717 |
| Others not Liste | 7 | | 8 |
| Grand Total | 1752 | | 1848 |

Source: Korea Customs Service (KCS)

## Rapeseed Meal PS&D

| Country | Korea, Republic of | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Commodity | Meal, Rapeseed | | | | | | (1000 MT)(PERCENT) | | | |
| | 2006 | Revised | | 2007 | Estimate | | 2008 | Forecast | | UOM |
| | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | |
| **Market Year Begin** | | 10-2006 | 10-2006 | | 10-2007 | 10-2007 | | 10-2008 | 10-2008 | MM/YYYY |
| Crush | 2 | 0 | 1 | 2 | 0 | 1 | 0 | 0 | 1 | (1000 MT) |
| Extr. Rate, 999.9999 | 0.5 | 0 | 0.5 | 0.5 | 0 | 0.5 | 0 | 0 | 0.5 | (PERCENT |
| Beginning Stocks | 27 | 0 | 32 | 39 | 0 | 30 | 40 | 0 | 30 | (1000 MT) |
| Production | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Imports | 346 | 0 | 346 | 350 | 0 | 350 | 0 | 0 | 350 | (1000 MT) |
| MY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Imp. from EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Total Supply | 374 | 0 | 378 | 390 | 0 | 380 | 40 | 0 | 380 | (1000 MT) |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Exp. to EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Industrial Dom. Cons. | 45 | 0 | 15 | 45 | 0 | 10 | 0 | 0 | 10 | (1000 MT) |
| Food Use Dom. Cons. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Feed Waste Dom. Cons. | 290 | 0 | 333 | 305 | 0 | 340 | 0 | 0 | 340 | (1000 MT) |
| Total Dom. Cons. | 335 | 0 | 348 | 350 | 0 | 350 | 0 | 0 | 350 | (1000 MT) |
| Ending Stocks | 39 | 0 | 30 | 40 | 0 | 30 | 0 | 0 | 30 | (1000 MT) |
| Total Distribution | 374 | 0 | 378 | 390 | 0 | 380 | 0 | 0 | 380 | (1000 MT) |
| CY Imports | 300 | 0 | 350 | 300 | 0 | 350 | 0 | 0 | 350 | (1000 MT) |
| CY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| CY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| SME | 238.3525 | 0 | 247.602 | 249.025 | 0 | 249.025 | 0 | 0 | 249.025 | (1000 MT) |

**Rapeseed Meal Import Trade Matrix**

# Import Trade Matrix

**Country** Korea, Republic of
**Commodit** Meal, Rapeseed

| | | | |
|---|---|---|---|
| Time Period | OCT/SEP | Units: | 1,000MT |
| Imports for: | 2005 | | **2006** |
| U.S. | 0 | U.S. | 0 |
| Others | | Others | |
| India | 254 | India | 342 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total for Others | 254 | | 342 |
| Others not Liste | 6 | | 4 |
| Grand Total | 260 | | 346 |

Source: Korea Customs Service (KCS)

| Korea: Soybean Meal Production [1/] (Metric Ton) | | | |
|---|---|---|---|
| Month | MY 05/06 | MY 06/07 | MY 07/08 |
| October | 50,275 | 59,712 | 47,484 |
| November | 55,745 | 60,590 | 64,875 |
| December | 49,249 | 60,675 | 55,325 |
| January | 48,119 | 64,772 | Na |
| February | 43,386 | 52,506 | Na |
| March | 61,052 | 61,416 | Na |
| April | 56,887 | 50,368 | Na |
| May | 57,248 | 61,713 | Na |
| June | 58,940 | 60,675 | Na |
| July | 62,728 | 64,631 | Na |
| August | 62,302 | 61,630 | Na |
| September | 47,076 | 51,975 | Na |
| Total | 653,007 | 710,661 | Na |
| Extraction Rate | 74.64% | 73.69% | Na |

Source: Korea Soybean Processing Association
1/ based on crushers' applicable extraction rate.

| Korea: Feed Ingredients Use for Animal | | | | |
|---|---|---|---|---|
| Items | MY 2005/06 | | MY 2006/07 | |
| | 1,000 mt | Percent | 1,000 mt | Percent |
| **Total Grains and Grain Substitution** | **10,118** | **65.4** | **10,184** | **63.6** |
| - Wheat | 1,440 | 9.3 | 1,037 | 6.5 |
| - Corn | 6,510 | 42.1 | 6,914 | 43.2 |
| - Others | 2,168 | 14.0 | 2,223 | 13.9 |
| **Total Vegetable Protein** | **3,619** | **23.4** | **4,020** | **25.1** |
| - Soybean Meal | 2,223 | 14.4 | 2,458 | 15.3 |
| - Rapeseed Meal | 244 | 1.6 | 333 | 2.1 |
| - Cottonseed Meal | 29 | 0.2 | 25 | 0.2 |
| - Palm Kernel Meal | 352 | 2.3 | 418 | 2.6 |
| -Copra Meal | 440 | 2.8 | 315 | 2.0 |
| -Sesame Meal | 17 | 0.1 | 17 | 0.1 |
| -Perillaseed Meal | 8 | 0.0 | 8 | 0.0 |
| -Corn Gluten Meal | 104 | 0.7 | 97 | 0.6 |
| - Others | 202 | 1.3 | 349 | 2.2 |
| **Total Animal Protein** | **123** | **0.8** | **121** | **0.8** |
| - Fish meal | 37 | 0.2 | 26 | 0.2 |
| -Meat & Bone Meal | 18 | 0.1 | 17 | 0.1 |
| -Others | 68 | 0.4 | 78 | 0.5 |
| **Total Others** | **1,609** | **10.4** | **1,697** | **10.6** |
| **TOTAL COMPOUND FEED** | **15,469** | **100** | **16,022** | **100** |

Source: Korea Feed Association

| Korea: Imports of Major Protein Meals (October/September) | | | | |
|---|---|---|---|---|
| | MY 2005/06 | | MY 2006/07 | |
| | Volume (MT) | Value (1,000$) | Volume (MT) | Value (1,000$) |
| Soybean Meal | 1,752,162 | 416,365 | 1,847,709 | 457,182 |
| Rapeseed Meal | 259,641 | 37,976 | 345,721 | 52,188 |
| Fish Meal | 48,606 | 50,135 | 41,549 | 52,051 |
| Bone Meal | 214 | 439 | 184 | 516 |
| Cottonseed Meal | 25,394 | 4,707 | 31,164 | 6,067 |
| Sunflower Seed Meal | 75 | 16 | 41 | 12 |
| Copra Meal | 447,834 | 42,002 | 343,968 | 52,146 |
| Palm Kernel Meal | 394,995 | 30,537 | 474,943 | 48,263 |
| Corn Germ Meal | 1,745 | 257 | 18,007 | 2,739 |
| Others | 122,394 | 12,930 | 241,829 | 25,217 |
| Total | 3,053,070 | 595,423 | 3,345,115 | 696,381 |

Source: Korean Customs Service (KCS)

| Korea: Soybean Meal Imports for Oct.-Dec. by Origin (Unit: MT) | | | | | | | |
|---|---|---|---|---|---|---|---|
| MY 2007/08 | USA | Brazil | Argentina | India | China | Others | Total |
| Oct. 2007 | 1,425 | 113,429 | 57,291 | 5,356 | 2,338 | 120 | 179,959 |
| Nov | 951 | 63,597 | 90,237 | 1,332 | 105 | 120 | 156,342 |
| Dec | 549 | 42,826 | 48,690 | 15,429 | 6,382 | 120 | 113,996 |
| **Subtotal** | **2,925** | **219,852** | **196,218** | **22,117** | **8,825** | **360** | **450,297** |
| MY 2006/07 a/ | 2,225 | 196,774 | 99,107 | 70,193 | 14,817 | 480 | 383,596 |

Source: Korea Customs Service (KCS)
a/ October – December 2006

| Korea: Compound Feed Production (October/September, 1,000 mt) | | |
|---|---|---|
| Animal Type | MY 2005/06 | MY 2006/07 |
| Poultry | 4,238 | 4,387 |
| Swine | 5,176 | 5,319 |
| Cattle | 5,096 | 5,215 |
| Others a/ | 898 | 989 |
| **Sub. Total** | **15,408** | **15,910** |
| Aquaculture b/ | 103 | 109 |
| Milk Substitute | 111 | 106 |
| **Grand Total** | **15,622** | **16,125** |

Source: Korea Feed Association (KFA)
a/ include ducks, pet food, rabbit, horse, sheep, deer, quail etc.
b/ on extruded pellet basis

| Korea: Animal Inventory (1,000 Head, 1,000 Birds) | | | | | |
|---|---|---|---|---|---|
| Animal | Year | March | June | September | December |
| Beef Cattle | 2004 | 1,521 | 1,627 | 1,667 | 1,666 |
| | 2005 | 1,654 | 1,757 | 1,825 | 1,819 |
| | 2006 | 1,836 | 1,959 | 2,021 | 2,020 |
| | 2007 | 2,043 | 2,179 | 2,220 | 2,201 |
| | 2008c/ | 2,211 | 2,336 | na | na |
| Dairy Cattle | 2004 | 517 | 509 | 503 | 497 |
| | 2005 | 497 | 491 | 485 | 479 |
| | 2006 | 482 | 471 | 468 | 464 |
| | 2007 | 461 | 456 | 455 | 453 |
| | 2008c/ | 451 | 450 | na | na |
| Swine | 2004 | 9,189 | 9,017 | 9,046 | 8,908 |
| | 2005 | 8,838 | 8,786 | 8,993 | 8,962 |
| | 2006 | 9,010 | 9,030 | 9,369 | 9,382 |
| | 2007 | 9,345 | 9,462 | 9,659 | 9,606 |
| | 2008c/ | 9,432 | 9,385 | na | na |
| Layer a/ | 2004 | 47,910 | 48,060 | 49,090 | 48,000 |
| | 2005 | 51,370 | 54,390 | 55,020 | 53,392 |
| | 2006 | 53,520 | 55,200 | 55,388 | 57,238 |
| | 2007 | 56,525 | 56,542 | 55,117 | 56,093 |
| | 2008c/ | 56,180 | 56,850 | na | na |
| Broiler b/ | 2004 | 36,493 | 62,170 | 47,714 | 50,120 |
| | 2005 | 52,740 | 88,137 | 65,830 | 50,422 |
| | 2006 | 61,920 | 98,880 | 57,713 | 55,375 |
| | 2007 | 63,350 | 87,359 | 59,946 | 56,227 |
| | 2008c/ | 61,450 | na | na | na |

Source: Korea Rural Economic Institute, MAF
a/ Excluding breeders.
b/ Excluding multi-use broilers.
c/ Korea Rural Economic Institute Forecast.

| Korea: Applied Tariff Schedule for Oil Cake and Meals (Percent) | | | | |
|---|---|---|---|---|
| Commodity | H.S. Code | 2006 | 2007 | 2008 |
| Soybean Meal a/ | 2304.00.0000 | 3 (1.8) | 1.8 (1) | 1.8 (1) |
| Peanut Meal | 2305.00.0000 | 5 | 5 | 5 |
| Cottonseed Meal b/ | 2306.10.0000 | 5 (2) | 2 | 2 (1) |
| Linseed Meal | 2306.20.0000 | 5 | 5 | 5 |
| Sunflower Seed Meal | 2306.30.0000 | 5 | 5 | 5 |
| Rapeseed Meal | 2306.40.0000 | 0 | 0 | 0 |
| Copra Meal c/ | 2306.50.0000 | 5(2) | 2 | 2 (1) |
| Palm Kernel Meal | 2306.60.0000 | 5(2) | 2 | 2 |

Source: Korea Customs Service
The figure in parentheses is autonomous quota tariff rate for the first half year in CY 2008.
a/ The applied duty is assessed on the first 1.65 million tons of soybean meal .
b/ The applied duty is assessed on the first 120,000 tons of cottonseed meal.
c/ The applied duty is assessed on the first 300,000 tons of Copra meal.

## SECTION II. STATISTICAL TABLES OF OILS

### Soybean Oil PS&D

# PSD Table

**Country** **Korea, Republic of**

**Commodity** **Oil, Soybean**

(1000 MT)(PERCENT)

| | 2006 | Revised | | 2007 | Estimate | | 2008 | Forecast | | UOM |
|---|---|---|---|---|---|---|---|---|---|---|
| | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | |
| **Market Year Begin** | | 10/2006 | 10/2006 | | 10/2007 | 10/2007 | | 10/2008 | 10/2008 | MM/YYYY |
| Crush | 900 | 0 | 964 | 925 | 0 | 900 | 0 | 0 | 900 | (1000 MT) |
| Extr. Rate, 999.9999 | 0.185556 | 0 | 0.182573 | 0.179459 | 0 | 0.182222 | 0 | 0 | 0.182222 | (PERCENT |
| Beginning Stocks | 11 | 0 | 36 | 28 | 0 | 20 | 30 | 0 | 20 | (1000 MT) |
| Production | 167 | 0 | 176 | 166 | 0 | 164 | 0 | 0 | 164 | (1000 MT) |
| MY Imports | 302 | 0 | 302 | 310 | 0 | 410 | 0 | 0 | 490 | (1000 MT) |
| MY Imp. from U.S. | 0 | 0 | 46 | 0 | 0 | 50 | 0 | 0 | 50 | (1000 MT) |
| MY Imp. from EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Total Supply | 480 | 0 | 514 | 504 | 0 | 594 | 30 | 0 | 674 | (1000 MT) |
| MY Exports | 4 | 0 | 4 | 5 | 0 | 4 | 0 | 0 | 4 | (1000 MT) |
| MY Exp. to EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Industrial Dom. Cons. | 18 | 0 | 100 | 18 | 0 | 180 | 0 | 0 | 260 | (1000 MT) |
| Food Use Dom. Cons. | 430 | 0 | 390 | 451 | 0 | 390 | 0 | 0 | 390 | (1000 MT) |
| Feed Waste Dom. Cons. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Total Dom. Cons. | 448 | 0 | 490 | 469 | 0 | 570 | 0 | 0 | 650 | (1000 MT) |
| Ending Stocks | 28 | 0 | 20 | 30 | 0 | 20 | 0 | 0 | 20 | (1000 MT) |
| Total Distribution | 480 | 0 | 514 | 504 | 0 | 594 | 0 | 0 | 674 | (1000 MT) |
| CY Imports | 290 | 0 | 305 | 295 | 0 | 410 | 0 | 0 | 490 | (1000 MT) |
| CY Imp. from U.S. | 0 | 0 | 57 | 0 | 0 | 50 | 0 | 0 | 50 | (1000 MT) |
| CY Exports | 4 | 0 | 4 | 4 | 0 | 4 | 0 | 0 | 4 | (1000 MT) |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |

**Soybean Oil Import Trade Matrix**

# Import Trade Matrix

**Country** Korea, Republic of
**Commodit** Oil, Soybean

| | | | |
|---|---|---|---|
| Time Period | OCT/SEP | Units: | 1,000MT |
| Imports for: | 2005 | | **2006** |
| U.S. | 14 | U.S. | 46 |
| Others | | Others | |
| Argentina | 241 | Argentina | 240 |
| Brazil | 10 | Brazil | 11 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total for Others | 251 | | 251 |
| Others not Liste | 0 | | 5 |
| Grand Total | 265 | | 302 |

Source: Korea Customs Service (KCS)

## Palm Oil PS&D

# PSD Table

**Country** **Korea, Republic of**

**Commodity** **Oil, Palm**

(1000 HA)(1000 TREES)(1000 MT)

| | 2006 | Revised | | 2007 | Estimate | | 2008 | Forecast | | UOM |
|---|---|---|---|---|---|---|---|---|---|---|
| | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | |
| **Market Year Begin** | | 10-2006 | 10-2006 | | 10-2007 | 10-2007 | | 10-2008 | 10-2008 | MM/YYYY |
| Area Planted | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 HA) |
| Area Harvested | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 HA) |
| Trees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 TREI |
| Beginning Stocks | 6 | 0 | 10 | 5 | 0 | 10 | 5 | 0 | 10 | (1000 MT) |
| Production | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Imports | 194 | 0 | 194 | 210 | 0 | 190 | 0 | 0 | 190 | (1000 MT) |
| MY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Imp. from EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Total Supply | 200 | 0 | 204 | 215 | 0 | 200 | 5 | 0 | 200 | (1000 MT) |
| MY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| MY Exp. to EU | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Industrial Dom. Cons. | 18 | 0 | 20 | 25 | 0 | 20 | 0 | 0 | 20 | (1000 MT) |
| Food Use Dom. Cons. | 167 | 0 | 174 | 175 | 0 | 170 | 0 | 0 | 170 | (1000 MT) |
| Feed Waste Dom. Cons. | 10 | 0 | 0 | 10 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| Total Dom. Cons. | 195 | 0 | 194 | 210 | 0 | 190 | 0 | 0 | 190 | (1000 MT) |
| Ending Stocks | 5 | 0 | 10 | 5 | 0 | 10 | 0 | 0 | 10 | (1000 MT) |
| Total Distribution | 200 | 0 | 204 | 215 | 0 | 200 | 0 | 0 | 200 | (1000 MT) |
| CY Imports | 0 | 0 | 187 | 0 | 0 | 190 | 0 | 0 | 190 | (1000 MT) |
| CY Imp. from U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| CY Exports | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |
| CY Exp. to U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1000 MT) |

**Palm Oil Import Trade Matrix**

# Import Trade Matrix

**Country** Korea, Republic of
**Commodit** Oil, Palm

| | | | |
|---|---|---|---|
| Time Period | OCT/SEP | Units: | 1,000MT |
| Imports for: | 2005 | | **2006** |
| U.S. | 0 | U.S. | 0 |
| Others | | Others | |
| Malaysia | 219 | Malaysia | 189 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total for Others | 219 | | 189 |
| Others not Listed | 8 | | 5 |
| Grand Total | 227 | | 194 |

Source: Korea Customs Service (KCS)

| Korea: Vegetable Oil Production 1/ (Metric Ton) | | | |
|---|---|---|---|
| Commodities | MY 2004/05 | MY 2005/06 | MY 2006/07 |
| Soybean Oil | 177,903 | 163,300 | 175,500 |
| Corn Oil | 43,299 | 44,038 | 41,574 |
| Sesame Oil | 22,413 | 23,906 | 23,980 |
| Rice Bran Oil | 10,000 | 10,000 | 10,000 |
| Rapeseed Oil | 640 | 460 | 340 |
| Perilla Oil | 17,694 | 18,127 | 20,871 |
| Total | 271,949 | 259,831 | 272,265 |

1/ FAS/Seoul estimates

Source: Foreign Agriculture Service, Seoul, Korea

| Korea: Soybean Oil Production (Metric Ton) | | | |
|---|---|---|---|
| Month | MY 05/06 | MY 06/07 | MY 07/08 |
| October | 12,000 | 15,500 | 13,000 |
| November | 13,700 | 16,000 | 15,600 |
| December | 12,000 | 15,000 | 15,300 |
| January | 13,000 | 17,000 | Na |
| February | 10,500 | 13,000 | Na |
| March | 13,700 | 15,000 | Na |
| April | 13,500 | 11,000 | Na |
| May | 15,400 | 15,000 | Na |
| June | 16,000 | 16,000 | Na |
| July | 15,500 | 15,000 | Na |
| August | 15,500 | 15,000 | Na |
| September | 12,500 | 13,000 | Na |
| Total | 163,300 | 176,500 | Na |
| Extraction Rate | 18.66% | 18.30% | |

Source: Korea Soybean Processing Association (KSPA)

| Korea: Total Supply of Edible Oils (Metric Ton) | | | |
|---|---|---|---|
| Commodity | MY 2004/05 | MY 2005/06 | MY 2006/07 |
| Soybean Oil | 421,550 | 428,138 | 477,391 |
| Palm Oil | 228,351 | 228,108 | 193,882 |
| Corn Oil | 57,096 | 47,716 | 53,378 |
| Rapeseed Oil | 20,341 | 21,711 | 32,716 |
| Coconut Oil | 55,882 | 54,143 | 57,549 |
| Olive Oil | 26,630 | 22,819 | 11,764 |
| Cottonseed Oil | 9,526 | 7,508 | 9,238 |
| Sesame Oil | 23,218 | 24,644 | 24,455 |
| Rice Bran Oil | 13,149 | 12,516 | 13,540 |
| Perilla Oil | 18,325 | 19,019 | 21,793 |
| Fish Oil | 10,104 | 10,256 | 11,768 |
| Sunflower Oil | 1,568 | 3,135 | 10,773 |
| Total | 885,740 | 879,713 | 914,726 |

Source: Foreign Agriculture Service, Seoul, Korea

| Korea: Fats and Oils Imports (MT & US$ 1,000, Oct/Sep) | | | | |
|---|---|---|---|---|
| Commodity | MY 2005/06 | | MY 2006/07 | |
| | Volume | Value | Volume | Value |
| Palm Oil | 218,685 | 95,326 | 193,880 | 119,586 |
| Tallow | 113,891 | 49,705 | 140,378 | 74,437 |
| Coconut Oil | 54,169 | 32,991 | 57,549 | 44,745 |
| Cottonseed Oil | 7,508 | 4,038 | 9,238 | 7,178 |
| Fish Oil | 9,256 | 12,232 | 7,243 | 12,249 |
| Soy Oil | 264,838 | 136,385 | 288,514 | 201,249 |
| Corn Oil | 3,678 | 2,647 | 11,804 | 9,070 |
| Rapeseed Oil | 21,251 | 13,569 | 32,375 | 26,498 |
| Palm Kernel Oil | 6,113 | 4,264 | 8,075 | 6,638 |
| Tung Oil | 1,458 | 2,048 | 644 | 711 |
| Rice Bran Oil | 2,516 | 2,468 | 3,540 | 3,866 |
| Castor Oil | 3,371 | 5,702 | 4,369 | 4,669 |
| Linseed Oil | 5,732 | 5,006 | 5,676 | 4,783 |
| Sunflower Oil | 3,135 | 4,259 | 10,773 | 14,610 |
| Safflower Oil | 180 | 451 | 191 | 483 |
| Olive Oil | 22,819 | 109,534 | 11,768 | 51,451 |
| Jojoba Oil | 23 | 319 | 41 | 458 |
| Peanut Oil | 17 | 35 | 23 | 56 |
| Sesame Oil | 738 | 1,528 | 475 | 1,070 |
| Perilla Oil | 892 | 1,002 | 922 | 1,193 |
| Camellia Oil | 7 | 59 | 14 | 112 |
| Other Oil | 14,392 | 44,465 | 19,325 | 58,575 |
| Total | 764,092 | 532,783 | 820,196 | 643,687 |

Source: Korea Customs Service (KCS)

| Korea: Soybean Oil Imports for Oct.-Dec. by Origin (Unit: MT) | | | | | |
|---|---|---|---|---|---|
| MY 2007/08 | USA | Argentina | Brazil | Others | Total |
| Oct. 2007 | 10,935 | 9,677 | 6,269 | 500 | 27,381 |
| Nov | 11,104 | 5,291 | 14,640 | 228 | 31,263 |
| Dec | 10,073 | 3,076 | 6,509 | 400 | 20,058 |
| **Subtotal** | **32,112** | **18,044** | **27,418** | **1,128** | **78,702** |
| MY2006/07 a/ | 21,116 | 53,851 | 996 | 33 | 75,996 |

Source: Korea Customs Service (KCS)
a/ October – December 2006

| Korea: Applied Tariff Schedule For Fats And Oils (Percent) | | | | |
|---|---|---|---|---|
| Commodity | H.S. Code | General Rate | 2007 | 2008 |
| Lard | 1501.00.10XX | 3 | 3 | 3 |
| Beef Tallow | 1502.00.10XX | 2 | 2 | 2 |
| Other Tallow | 1502.00.90XX | 3 | 3 | 3 |
| Fish Oil | 1504.XX.XXXX | 3 | 3 | 3 |
| Soybean Oil a/ | 1507.XX.XXXX | 8 | 5.4 | 5.4 |
| Peanut Oil a/ | 1508.XX.XXXX | 27 | 27 | 27 |
| Olive Oil | 1509.XX.XXXX | 8 | 8 | 8 |
| Palm Crude Oil | 1511.10.0000 | 3 | 3 | 3 |
| Palm Oil | 1511.90.XXXX | 2 | 2 | 2 |
| Sunflower Oil | 1512.1X.XXXX | 10 | 10 | 10 |
| Safflower Oil | 1512.1X.XXXX | 8 | 8 | 8 |
| Cotton Seed Oil a/ | 1512.2X.XXXX | 5.4 | 5.4 | 5.4 |
| Coconut Oil | 1513.1X.XXXX | 3 | 3 | 3 |
| Palm Kernel Oil | 1513.2X.XXXX | 8 | 5 | 5 |
| Rapeseed Oil, Crude | 1514.10.1000 | 8 | 8 | 8 |
| Rapeseed Oil, Refined b/ | 1514.19.XXXX | 10 | 10 | 10 |
| Linseed Oil | 1515.1X.XXXX | 8 | 8 | 8 |
| Corn Oil | 1515.2X.XXXX | 8 | 8 | 8 |
| Castor Oil | 1515.30.XXXX | 8 | 8 | 8 |
| Tung Oil | 1515.40.XXXX | 8 | 8 | 8 |
| Sesame Oil c/ | 1515.50.XXXX | 40 | 40 | 40 |

Source: Korea Customs Research Institute, Tariff Schedules for Korea
a/ Per Country Schedule.
b/ under HS Code 1514.19.1000, 1514.19.9000, 1514.19.9000, 1514.99.1010 and 1514.99.9000.
c/ In-Quota tariff rate. Quota is 668 tons. The out-of-quota tariff rate is 630 percent or 12,060 Won/Kg, whichever is greater.