

Voluntary Report – Voluntary - Public Distribution

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Report Name: 2020 Korea's Adjustment and Quota Tariffs Schedule

Country: Korea - Republic of

Post: Seoul

Report Category: Country/Regional FTA's, Trade Policy Incident Report, Trade Policy Monitoring, WTO Notifications

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Report Highlights:

On December 24, 2018, Korea issued an updated list of adjustment tariffs and voluntary tariff rate quotas (TRQs) for certain agricultural, forestry and fishery products, effective through calendar year 2019. These changes are expected to facilitate continued exports of U.S. agricultural products, particularly feed grains and food ingredients.

Executive Summary:

Adjustment Tariffs & Voluntary TRQs Announced for 2020

On December 31, 2019, the Ministry of Economy and Finance (MOEF) announced an updated list of adjustment tariffs (Table I) and voluntary tariff rate quotas (TRQs) for certain agricultural, forestry and fishery products (Table II). These adjustment tariffs and TRQs are part of a special program run by MOEF to assist domestic industries. The revisions (I & II) are effective through calendar year 2020 and are expected to facilitate continued exports of U.S. agricultural products, particularly the TRQs for feed grains and food ingredients. According to MOEF, the voluntary TRQs for agricultural commodities are intended to assist the domestic livestock industry by reducing input costs. As such, the TRQs apply mainly to feed grains. We have listed the most notable changes below.

In 2020, MOEF will maintain adjustment tariffs on 13 selected agricultural and fishery items. The items included are the same as those managed in 2019. See related GAIN report in the [GAIN System](#): KS2019-2011 (aka KS1901). The tariffs are set in consideration of price differences between domestic and imported goods, market share, and tariff differentials between similar products. The continued 2020 tariffs listed in Table 1 (steamed rice, Chinese vermicelli, oak mushroom, plywood, frozen squid, and frozen Alaskan Pollack) are justified by MOEF's determination that competing domestic industries continue to need protection.

MOEF also manages 2020 voluntary TRQs with the goal of achieving domestic price stabilization and improved industrial competitiveness. Notably, the Korean government will continue its support for the feed grain complex (17 commodities), including maize (corn), soymeal, barley, and oats. The stated goal is to reduce costs for domestic livestock farmers. [The Korean language announcement can be found here: Press Release for 2020 Adjustment and Voluntary TRQs](#)

Table I. Adjustment Tariffs for CY 2020
(Effective as of January 1, 2020)

HS No.	Commodity	WTO Bound Rate	Adjustment Tariff		
			2019	2020	Changes
0301 (Live)	Eels (<i>Anguilla</i> spp.), other than glass eels 0301 92	None	20	20	-
	Sea-bream 0301 99	None	28 A/	28 A/	-
	Sea bass 0301 99	None	28	28	-
0303 (Frozen)	Saury, 0303 59(<i>Cololabis saira</i>)	None	26	26	-
	Alaska Pollack 0303 67 (<i>Theragra halcogramma</i>) 0303 69	None	22	22	-
0306	Salted or brine shrimp 0306 95	None	32	32	-
0307	Squid (Frozen) 0307 43	None	22	22	-
0709	0709 59 Oak mushroom	90 B/	40 B/	40 B/	-
0712	0712 39				
1902	Chinese vermicelli 1902 19	54 C/	26 D/	26 D/	-
1904	Parboiled rice 1904 90	54	50	50	-
2103	Gochujang (red pepper paste), Other 2103 90	54	32	32	-
2103	Mixed Seasonings 2103 90	54	45	45	-
4412	Plywood 4412 31 4412 33 4412 34 4412 39 4412 99	None	10	10	-

Source: Ministry of Economy and Finance (MOEF)

Note:

A/ or 2,052 Won/kg, whichever is greater.

B/ or 1,625 Won/kg, whichever is greater.

C/ or 427 Won/kg, whichever is greater

D/ or 206 Won/kg, whichever is greater

Table II. Voluntary Tariff Rate Quota (TRQ) Quantities and In-quota rates for January 1 – December 31, 2020 Period

HS No.	Commodity	Base Tariff Rate	Quota & Tariff Rate (%) 1/	
			2020 Tariff	2020 Quota (MT)
0301	Young eels (Anguilla), exceeding 0.3g and not exceeding 50g per unit, for aquaculture 0301 92	5	3	50
0404	Whey for feed Modified whey for feed Other whey for feed 0404 10	20	0	22,000
0714	Manioc chips for spirits 0714 10	20	10	118,000
0714	Manioc pellets for feed 0714 10	7	0	Unlimited
1003	Unhulled barley for feed 1003 90	5	0	40,000
1004	Oats for feed 1004 90	3	0	Unlimited
1005	Maize for feed 1005 90	3	0	9,200,000
1201	Soybean for oil crushing & oil cake for feed 1201 90	3	0	1,200,000
1207	Cotton seeds for feed 1207 29	2	0	Unlimited
1214	Lucerne(alfalfa) meal and pellets for feeding 1214 10	1	0	Unlimited
1214	Other lucerne(alfalfa) meal and pellets for feeding 1214 90	1	0	Unlimited
1214	1214 90	20	0	600,000
2308	Fodder roots and other vegetables for feed 2308 00	5		
1518	Animal or vegetable fat for feed (excludes dehydrated castor oil and epoxidised soya oil) 1518 00	5	0	30,000
1701	Sugar, Other; containing added flavoring or coloring matter 1701 91	30	5	98,000

	1701 99			
1702	Lactose and lactose syrup for feed 1702 11 1702 19	20	0	6,500
2302	Wheat bran for feed 2302 30	2	0	30,000
2303	Beet-pulp for feed 2303 20	5	0	Unlimited
2303	Beet-pulp for mushroom farming 2303 20	5	0	25,000
2303	Brewing or distilling dregs & waste for feed 2303 30	2	0	Unlimited
2304	Soybean Oil-cake for feed 2304 00	1.8	0	2,450,000
2308	Cotton seed hulls for feed 2308 00	5	0	Unlimited
2309	2309 90 Other Preparations of a kind used in animal feeding.	5	0	9,000
4104	Hides and skins of bovine 4104 11 4104 19 4104 41 4104 49	3	1	Unlimited
5205	Cotton yarn 5205 12 5205 32	1	0	Unlimited
5205	Cotton yarn 5205 33	8	4	Unlimited

Source: The Ministry of Economy and Finance (MOEF)

Note:

1/ January 1 – December 31, 2020 period

Attachments:

No Attachments.