

Voluntary Report – Voluntary - Public Distribution

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Report Name: 2022 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:

Korea has issued its annual list of adjustment tariffs and voluntary tariff rate quotas (TRQs) for certain agricultural products for calendar year 2022. Korea's 2022 tariff adjustments were relatively unchanged from the previous year; however, expanded TRQ's in a handful of agricultural commodities will increase opportunities for U.S. agricultural exports, particularly in feed grains and food ingredients.

Executive Summary:

Adjustment Tariffs & Voluntary TRQs Announced for 2022

On December 28, 2021, 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) that are effective through calendar year 2022. These adjustment tariffs and TRQs are part of a special program run by MOEF to assist domestic industries. According to the Ministry, the voluntary TRQs for agricultural commodities are intended to assist the domestic livestock industry by reducing input costs at a time of inflationary pressures in the food and ag sectors. As such, these TRQs are focused primarily on feed grains.

In 2022, MOEF will maintain adjustment tariffs on 13 selected agricultural and fishery items. The items are unchanged from 2021. See the related report in the [GAIN System](#): KS2021-0009. Tariffs are set in consideration of price differences between domestic and imported goods, market share, and tariff differentials within similar product categories. Tariffs identified in Table 1 (parboiled rice, Chinese vermicelli, oak mushroom, plywood, frozen squid, and frozen Alaskan Pollack) are justified through MOEF's determination that competing domestic industries continue to require protection.

MOEF also manages its 2022 voluntary TRQs with a goal of achieving domestic price stabilization, improving industrial competitiveness, and reducing input costs for domestic livestock producers. Notable changes to Korea's 2022 voluntary TRQ schedule include the reintroduction of wheat bran, a raw material for livestock compound feed and maize for food processing. Both items will be subject to a zero percent tariff rate. Additionally, MOEF prepared TRQs for seven egg items totaling 37,260 metric tons at a zero percent tariff (Table III) during the first six months of 2022. This action aims to stabilize the local egg market that has been suffering from a recent wave of avian influenza outbreaks in Korea's poultry sector and inflationary table egg prices to consumers. The egg TRQ is set to expire at the end of June 2022.

This year, five commodities received additional volume allocations beyond their 2021 quota. Increases were applied to manioc chips, maize for feed, fodder roots and other vegetables, sugar, and other preps for feed. Conversely, TRQs for cotton seed for feed, lactose, lactose syrup for feed and brewing waste for feed have been removed from this year's voluntary list.

[The Korean language announcement can be found here: Press Release for 2022 Adjustment and Voluntary TRQs](#)

Table I. Adjustment Tariffs for CY 2022
(Effective as of January 1, 2022)

HS No.	Commodity	WTO Bound Rate	Adjustment Tariff		
			2021	2022	Changes
0301 (Live)	Eels (<i>Anguilla spp.</i>), 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	24	24	-
	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 54 Oak mushroom (<i>Lentinus</i>	90 B/	40 B/	40 B/	-
0712	<i>edodes</i>) 0712 34				
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 41 4412 42 4412 49 4412 91 4412 92 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, 2022

HS No.	Commodity	Base Tariff Rate	Quota & Tariff Rate (%) 1/	
			2022 Tariff	2022 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	185,000
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	11,000,000
1005	Maize for food processing 1005 90	3	0	1,980,000
1201	Soybean for oil crushing & oil cake for feed 1201 90	3	0	1,200,000
1207	Cotton seeds for feed 1207 29	2	N/A	Removed
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		
2308	Fodder roots and other vegetables for feed 2308 00	5	0	700,000
1518	Animal or vegetable fat for feed (excludes dehydrated castor oil and epoxidised soya oil) 1518 00	5	0	20,000
1701	Sugar, Other; containing added flavoring or coloring matter 1701 91 1701 99	30	5	105,000
1702	Lactose and lactose syrup for feed 1702 11 1702 19	20	N/A	Removed
2302	Wheat bran 2302 30	5	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	N/A	Removed
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	11,000
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, 2022 period

Table III. Voluntary Tariff Rate Quota (TRQ) Quantities and In-quota rates for January 1 – June 30, 2022 Period

HS Code	Commodity	Tariff (%)		TRQ (MT) 1/1 – 6/30
		Basic rate (%)	Applied rate (%)	
0407.21.0000	Fresh shell eggs	27	0	37,260
0408.11.0000	Dried yolk	27	0	
0408.19.0000	Frozen yolk	27	0	
0408.91.0000	Dried whole egg (not in shell)	27	0	
0408.99.1000	Frozen whole egg (not in shell)	30	0	
3502.11.0000	Egg white powder	8	0	
3502.19.0000	Frozen egg white	8	0	

Source: Ministry of Economy and Finance (MOEF)

Attachments:

No Attachments.