



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

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## Philippines

### Trade Policy Monitoring

### Extra Charges on Philippine Banana Exports to Korea Eliminated

**2007**

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**Report Highlights:**

The Philippine Department of Agriculture (DA) recently announced that South Korea has removed Philippine bananas from a list of products subject to a 10 percent "adjustment" rate in addition to the regular 30 percent import duty.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Manila [RP1]  
[RP]

South Korea recently removed Philippine bananas from the list of products subject to an "adjustment" rate in import tariffs effective January 1 of this year. Before this date, Philippine bananas imported to the country were charged a 10 percent "adjustment" rate, in addition to the regular 30 percent import duty. According to a Philippine Department of Agriculture (DA) press release, it is the only fruit treated as such, and therefore is considered a quantitative restriction.

With the elimination of the "adjustment", the DA reportedly considers the quantitative restriction lifted. The effective tariff for Philippine banana imports into South Korea this year, therefore, remains at 30 percent with no additional charges. Even without the "adjustment" rate, however, banana exports to Korea are subject to comparatively high duty rates compared to banana import duties imposed by the U.S. (1.4 percent), the EU (18 percent), Japan (10-20 percent), and Taiwan (25 percent), according to the press release.