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Prepared By: Yoona Jeon

Approved By: Shoshana Griffith

Report Highlights:

Although domestic soybean production is forecast to reach a 20-year high in marketing year (MY) 2025/26, Korea will remain dependent on imports for 89 percent of total supply. Crush demand, and thus soybean imports, are expected to remain stagnant, as market conditions drive crush facilities to operate at 15-20 percent below capacity in MY 2024/25 and into MY 2025/26. With low crushing, Korea is forecast to maintain stable supplies of soybean meal for the domestic feed market through imports and drawing down stocks. Imports of palm oil are forecast to return to average levels in MY 2025/26 following a reduction in MY 2024/25 due to high prices. Soybean oil will maintain its position as the most prevalent food use vegetable oil in Korea. The United States is reclaiming lost shares in the soybean oil market as exportable supplies become available to Korean buyers once again.

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Oilseeds

Post Seoul forecasts that marketing year (MY) 2025/26 soybean production will reach 160,000 MT, a 20-year high, as government incentives for farmers to substitute rice acreage with other crops led to the highest planted area since 2013. To sustain long-term growth in domestic soybean production, the Korean government is considering initiatives to promote consumption of local soybeans, which could lead to further expansion in the coming years.

Total soybean crushing in marketing year (MY) 2025/26 is forecast to recover slightly from the previous year but is expected to remain at 17 percent below Korea's average crushing volume. Post Seoul revised down estimated soybean crushing in MY 2024/25 to reflect scaled-back processing plans of local crushers, who have growing stocks of soybean oil imported in MY 2023/24. A government import tax exemption from 2022 to 2023 to curb inflation in Korea led to increased soybean oil imports from South America and Southeast Asia that inflated stocks.

Oilseed Meals

Although MY 2025/26 soybean meal production is forecast to remain below average because of decreased crush, soybean meal imports and consumption are expected to remain stable while soybean meal continues to dominate as Korea's preferred protein source in compound feed production. At current relative prices, with rapeseed meal positioned at around 60-65 percent of the soybean meal import price, rapeseed meal could substitute for limited quantities of soybean meal. After soybean meal, distillers grains (DDGS) of mostly U.S. origin have emerged as the number two protein source in compound feed production.

Oilseed Oils

Post Seoul forecasts below-average production of soybean oil in MY 2025/26 from continued crushing well below capacity. Decreasing soybean oil imports in MY 2024/25 are expected to continue into MY 2025/26, as record high imports from MY 2023/24 led to excessive stocks. The market share of U.S. soybean oil recovered to 3 percent in MY 2023/24 after zero the previous year and will continue to grow. To date, MY 2024/25 purchases by Korean buyers are already more than six times last year's total volume.

Based on the slow pace of palm oil imports in the first 4 months of MY 2024/25 from soaring global prices, FAS Seoul estimates that palm oil imports and consumption will decrease in the current year but recover slightly in MY 2025/26. Soybean oil will capture some of palm oil's market share in the current year. Soybean oil and palm oil are the most highly consumed oils in Korea. Palm oil is used almost entirely in food and biofuels manufacturing, while households prefer alternative oils viewed as healthier by consumers.

Oilseeds

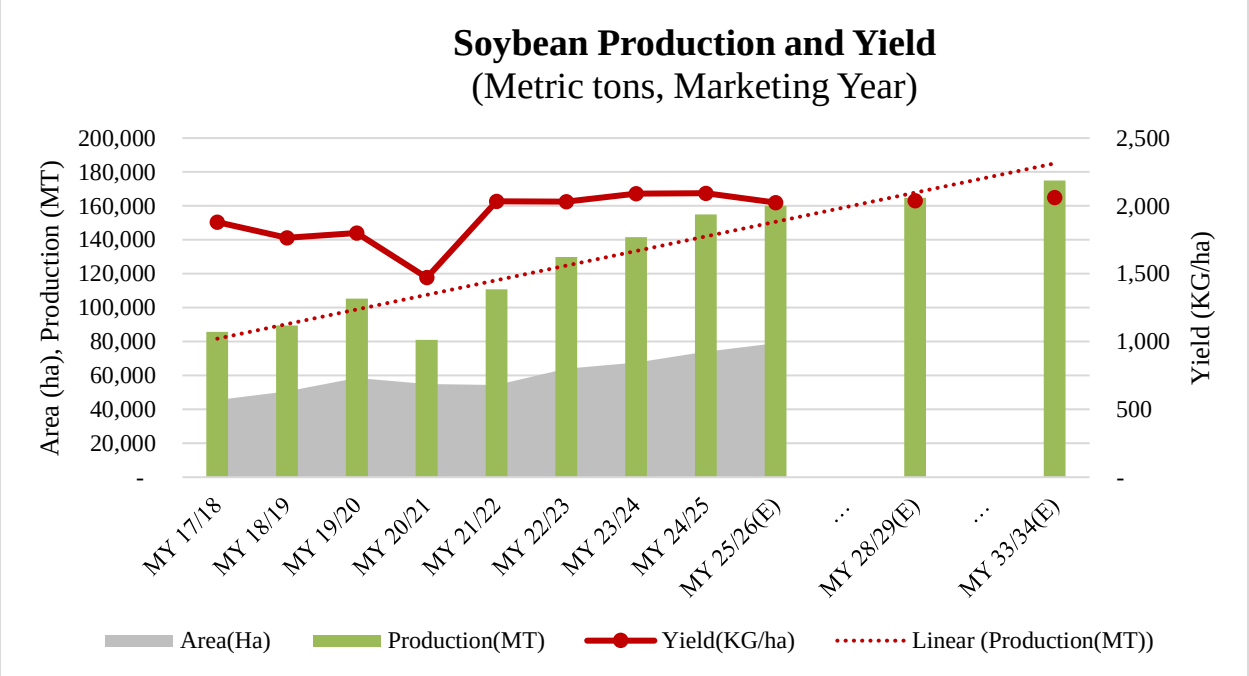
Oilseeds Production

Soybeans

Domestic soybean production for the marketing year (MY) 2025/26 (October 1-September 30) is expected to reach a 20-year high of 160,000 metric tons (MT) from 79,000 hectares of planted area. This forecast is based on a survey by the Korea Rural Economic Institute (KREI) in December 2024. The growth in soybean acreage marks a continuous increase over the past five years and nearly double MY 2020/21 production. This trend is mainly due to government incentives to replace rice paddies with other crops.

In December 2024, the Ministry of Agriculture, Food, and Rural Affairs (MAFRA) announced a plan to reduce rice acreage by 80,000 hectares in MY 2025/26. Since soybeans are the preferred alternative to rice, production could increase further if the government also continues to promote local soybean consumption. If the incentives continue, KREI also predicts a slight annual increase in long-term production, potentially reaching 170,000 MT by MY 2033/34.

Figure 1
Projections of Korean Soybean Production and Yield



Source: Statistics Korea (KOSTAT); Long-term production is based on the Korea Rural Economic Institute (KREI)

Table 1
Domestic Production of Oilseeds

Oilseed Area and Production (1,000 Hectares, 1,000 Metric Tons)								
Crops	**MY 2021/22**		**MY 2022/23**		**MY 2023/24**		**MY 2024/25**	
	Area	**Production**	**Area**	**Production**	**Area**	**Production**	**Area**	**Production**
Soybean	54	111	64	130	67	141	74	155
Peanuts[1/]	4	11	4	11	4	9	N/A[2/]	N/A[2/]
Sesame	19	10	22	12	21	9	N/A	N/A
Perilla	37	42	40	48	41	48	N/A[2/]	N/A[2/]
Rapeseed	0.1	0.2	0.2	0.2	0.2	0.2	N/A[2/]	N/A[2/]
Total	**115**	**174**	**131**	**200**	**133**	**207**	**N/A**	**N/A**

Source: Statistics Korea (KOSTAT); Ministry of Agriculture, Food and Rural Affairs (MAFRA); Korea Rural Economic Institute (KREI); 1/ In-shell; 2/ Data will become available in May 2025

Oilseeds Consumption

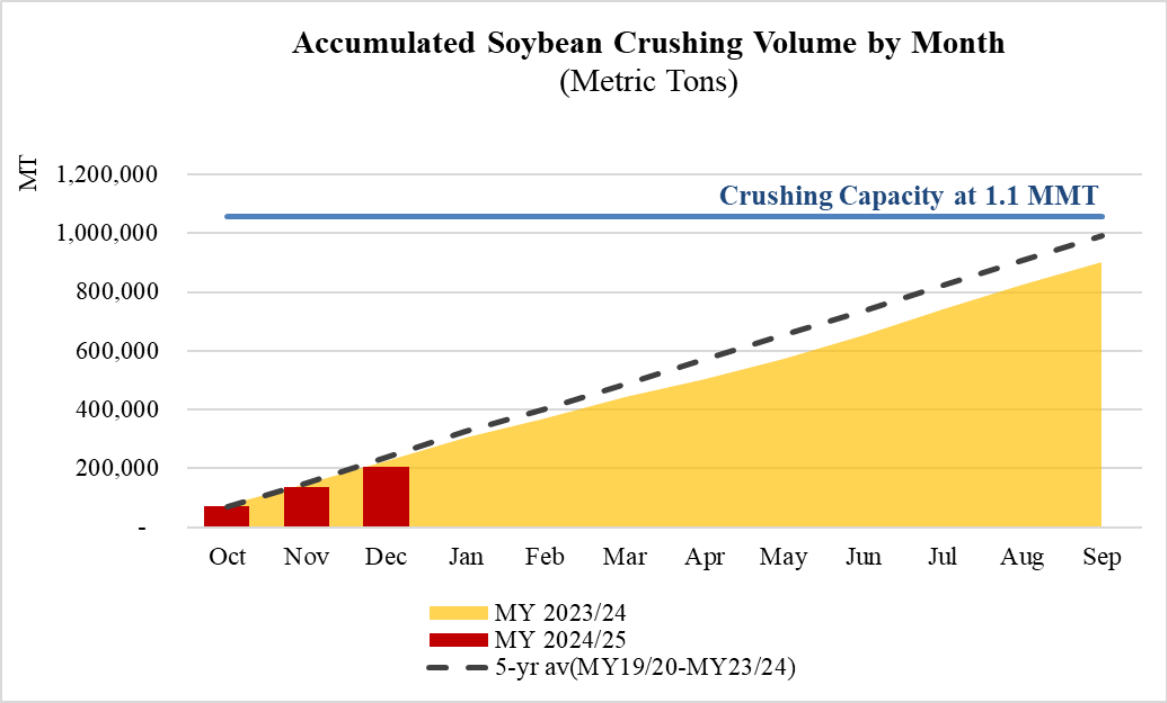
Soybeans

Post Seoul forecasts a slight recovery of 20,000 MT in soybean consumption for crushing in MY 2025/26 compared to the previous year, but crush will still be about 17 percent below average. The estimated crushing volume for MY 2025/26 is 0.8 million metric tons (MMT), versus the 5-year trend of 1.0 MMT and the national capacity of 1.1 MMT annually. The slowdown in crushing occurred as it became more cost effective to import soybean byproducts throughout MY 2023/24. Favorable prices for imported soybean oil from South America and Southeast Asia and soybean meal from South America reduced demand for local soybean crushing, even despite the costs of operating below full capacity. Meanwhile, stocks of both byproducts have accumulated. As a result, soybean consumption for crushing in MY 2024/25 is expected to drop by 10 percent to 0.8 MMT and remain at a similar level in the outyear.

Post Seoul has updated crush estimates for MY 2023/24 and MY 2024/25 based on industry data provided by the Korea Soybean Processing Association (KSPA). Actual monthly crush through December 2024 is shown in Figures 2 and 3. Initial crush data for MY 2024/25 indicate a reduced monthly pace compared to MY 2023/24, which was 10 percent below average. Given the current pace and market outlook, FAS Seoul estimates soybean crushing will continue at 15-20 percent below average through the current year and outyear.

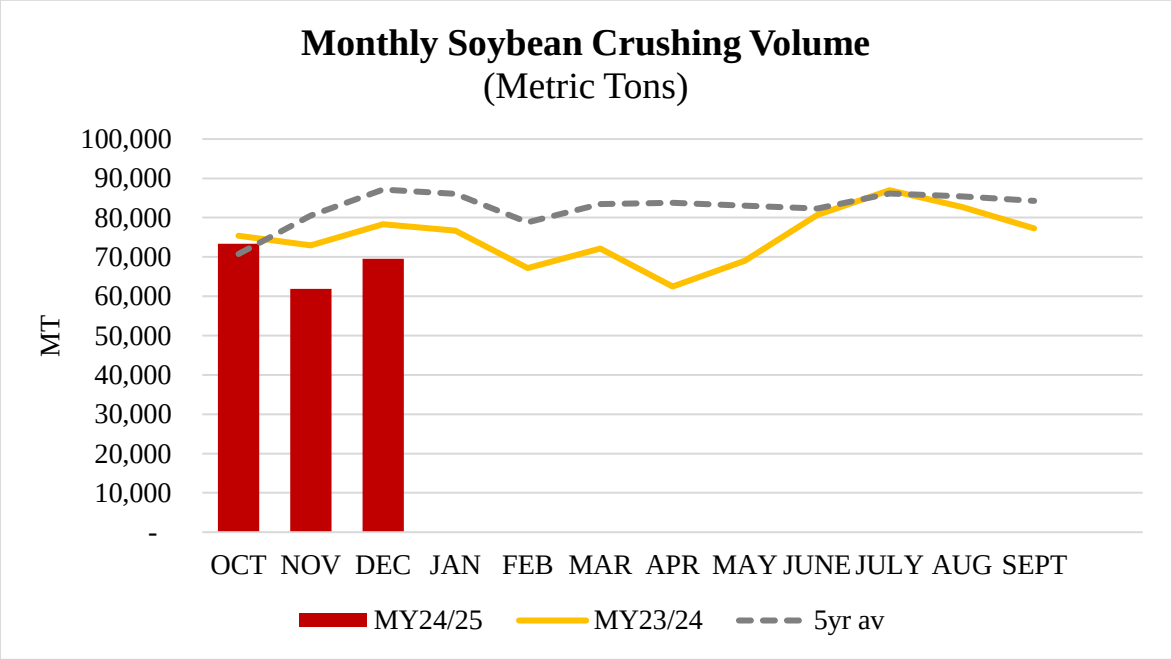
Soybean consumption for food products like tofu, soymilk, and soy sauce remains stable at about 360,000 MT annually. Imports of food-grade soybeans are limited by tariff rate quotas (TRQs) for Korea's FTA partners and WTO members. However, per capita consumption of food soybeans could decrease in the future due to changing dietary habits and the availability of alternative grains. According to MAFRA's yearbook published in January 2025, per capita consumption of food soybeans was 6.9 kg in MY 2022/23, down from 7.3 kg in MY 2021/22. According to KREI, per capita soy food consumption could further decrease to 6.4 kg by 2033.

Figure 2
Crush Volume Remains Below Capacity



Source: Korea Soybean Processing Association, Soybean Crushing Industry (for capacity)
Note: Crushing capacity is based on 24 hours processing for 330 days

Figure 3
Crush Volumes Decrease in MY 2024/25



Source: Korea Soybean Processing Association

Oilseeds Trade

Soybeans for Crushing

To meet crushing demand in MY 2025/26, FAS Seoul forecasts a slight 2-percent increase in soybean imports from the current year. Total import volumes in both MY 2024/25 and MY 2025/26 are expected to remain below 1.1 MMT, well behind the average of 1.2 MMT.

Post has revised MY 2024/25 import estimates down to reflect current trade volumes through January 2025 and crushing industry plans for the rest of the year. These estimates reflect the continued trend of decreasing soybean crush compared to the five-year average.

Table 2
Soybean Imports by Marketing Year by Origin

Soybean Imports by Marketing Year by Origin (Metric Tons)					
By Purpose	**By Country**	**MY 2022/23**	**MY 2023/24**		**MY 2024/25**
		From Oct. to Sep.	From Oct. to Sep.	YoY	From Oct. to Jan.
Crushing	United States	534,241	360,298	- 173,943	142,203
	(of total crushing)	53%	43%	-10%p	49%
	Brazil	472,745	469,991	- 2,754	149,020
	Others	75	372	297	100
	Total	**1,007,061**	**830,661**	**- 176,400**	**291,323**
Food Grade	United States	212,240	200,383	- 11,857	23,589
	China	73,624	37,809	- 35,815	14,668
	Canada	38,191	36,299	- 1,892	12,625
	Others	6,046	12,870	6,824	6,291
	Total	**330,101**	**287,361**	**- 42,740**	**57,173**
Total		**1,337,162**	**1,118,022**	**- 219,140**	**348,496**

Source: Korea Customs Service (KCS)

Based on export sales to date, MY 2024/25 market share of U.S. soybeans for crushing is on track to remain at 43 percent, the same as MY 2023/24. Normally, deliveries from October through March to Korea are from the United States, and during the remaining months Korea primarily sources from Brazil.

Soybeans for Food Use

To meet annual demand of food use soybeans, projected at 360,000 MT, Korea supplements domestically produced soybeans with imports of food-grade soybeans, which are identity preserved (IP) as non-genetically engineered (non-GE).

The United States is the primary supplier of food-grade soybeans with the remaining shares filled by China, Canada, and Australia. The United States is expected to retain about 65-70 percent market share for food-grade soybean imports into Korea in the current year, as Korean buyers recognize the value and quality of U.S. soybeans. Food-grade soybeans from the United States are primarily used in consumer-oriented products like tofu, soybean paste, sauces, and soymilk, while China mainly supplies soybeans for sprouting.

Under the U.S.-Korea Free Trade Agreement (KORUS), Korea established a zero-duty TRQ for U.S. food-grade IP soybeans. The quota began at 10,000 MT in the first year of the agreement (2012), increasing to 20,000 MT in 2013 and 25,000 MT in 2014. Starting in 2015, the TRQ volume grows 3 percent annually in perpetuity. Accordingly, 34,606 MT of food-grade soybeans under the KORUS FTA were allocated for import in CY 2025. Australia, Canada, and China have similar food-grade soybean TRQs through their bilateral FTAs with Korea.

Table 3
Food-Grade Soybean Quota Allocations under KORUS FTA

Food-Grade Soybean Quota Allocations under KORUS FTA (Metric Tons)			
Calendar Year	Allocation	Imported	Fill Rate (%)
2012	10,000	3,453	35
2013	20,000	12,046	60
2014	25,000	23,832	95
2015	25,750	25,293	98
2016	26,523	26,510	100
2017	27,319	27,284	100
2018	28,138	28,135	100
2019	28,982	28,848	100
2020	29,851	29,840	100
2021	30,747	30,720	100
2022	31,607	30,965	98
2023	32,620	32,568	100
2024	33,599	33,521	100
2025	34,606	N/A	N/A

Source: FTA agreement text through KCS FTA Portal

For other origins, including U.S. export volumes beyond the KORUS quota, there is a WTO TRQ for food-grade soybeans with an applicable in-quota tariff rate of 5 percent. The out-of-quota tariff rate is a prohibitive 487 percent, or 956 Korean won ($0.74) per kg, whichever is greater. Therefore, Korea generally does not import quantities of food-grade soybeans above the combined WTO and KORUS TRQ volumes, which total 281,354 MT in 2025 (218,748 MT of WTO quota and 62,606 MT from FTA quotas).

Table 4
Food-Grade Soybean TRQ Schedules under Bilateral FTAs

Food-Grade Soybean TRQ Schedules under Bilateral FTAs (Metric Tons, Calendar Year)						
	2020	2021	2022	2023	2024	2025
USA	29,851	30,747	31,669	32,620	33,599	34,606
Australia	800	850	900	950	1,000	1,000
Canada	15,400	15,800	16,200	16,600	17,000	17,000
China	10,000	10,000	10,000	10,000	10,000	10,000
Total	**56,051**	**57,397**	**58,769**	**60,170**	**61,599**	**62,606**

Source: FTA agreement text through KCS FTA Portal

Table 5
Tariff Schedule and Applied Tariff Rate for Selected Oilseeds

Base Tariff and Applied Tariff Rate for Oilseeds (Percent, As of CY 2025)						
Commodity	H.S. Code	Base	Autonomous TRQ	WTO TRQ		KORUS FTA
				In-quota	Out-of-quota	
Soybean, Crushing	1201.90.1000	3	0 (1.2 MMT)	5	487 percent or 956 KRW per kg, whichever is greater	0
Soybean, Seed	1201.10.xxxx	3	N/A	5 (218,748 MT in 2025)	487 percent or 956 KRW per kg, whichever is greater	0 (34,606 MT in 2025)
Soybean, Feed[2/]	1201.90.2000					
Soybean, Sprouting	1201.90.3000					
Soybean, Food Grade	1201.90.9000					
Rapeseed, Crushing	1205.xx.9000	10	N/A	20		N/A
Cottonseed, Feed	1207.29.1000	2	N/A	6.6		0
Sesame Seed	1207.40.0000	40	N/A	40 (70,000 MT)	630 percent or 6,660 KRW/kg, whichever is greater	42 percent or 444 KRW/kg, whichever is greater (<6,867 MT); 630 percent (>6,867MT)
Perilla Seed	1207.99.1000	40 percent or 410 KRW/kg, whichever is greater	N/A	54		0
Others	1207.99.9000	3	N/A	36		0

Source: Customs Law Information Portal (CLIP) under Korea Customs

Note: If separate in-quota/ out-of-quota duty rates are specified for an item under the WTO TRQ, then they take precedence over other duty rates except the autonomous TRQ and FTA preferential duty rates. Otherwise, the lowest tariff rate will be prioritized. Only designated government entities for each item have authorization to apply in-quota rates under WTO TRQs. Autonomous rate tariffs are flexibly determined by the government based on domestic market conditions, such as the need to facilitate imports to ensure supplies, to stabilize domestic prices, or to correct imbalances in tax rates among similar products. Autonomous TRQs take precedence over WTO TRQs.

Table 6
Production, Supply and Distribution: Soybean Oilseed

Oilseed, Soybean	2023/2024		2024/2025		2025/2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	68	68	69	74	0	79
Area Harvested (1000 HA)	68	68	69	74	0	79
Beginning Stocks (1000 MT)	151	151	90	113	0	103
Production (1000 MT)	141	141	142	155	0	160
MY Imports (1000 MT)	1118	1118	1425	1050	0	1070
Total Supply (1000 MT)	1410	1410	1657	1318	0	1333
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	925	902	1100	810	0	830
Food Use Dom. Cons. (1000 MT)	340	350	365	360	0	360
Feed Waste Dom. Cons. (1000 MT)	55	45	70	45	0	45
Total Dom. Cons. (1000 MT)	1320	1297	1535	1215	0	1235
Ending Stocks (1000 MT)	90	113	122	103	0	98
Total Distribution (1000 MT)	1410	1410	1657	1318	0	1333
Yield (MT/HA)	2.0735	2.0735	2.058	2.0946	0	2.0253
(1000 HA) ,(1000 MT) ,(MT/HA)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Note: USDA Official Data are based on February 2025 WASDE

Oilseed Meal

Oilseed Meal Production

Soybean Meal

Post Seoul forecasts in-country soybean meal production at 600,000 MT in MY 2025/26, a slight increase from the previous year but well below normal levels. The past 5-year average of local soybean meal production is around 710,000 MT.

According to local crushers' processing plans for the coming months, FAS Seoul estimates MY 2024/25 soybean meal production at a record low of 583,000 MT. Considering the nature of the industry, which sets crushing plans 4-6 months in advance, it is unlikely that current crush volume trends will reverse significantly within the current marketing year.

Nearly all vegetable meal produced in Korea is made from imported soybeans. Local production of soybean meal is done entirely by two local crushers, CJ CheilJedang and Sajo Daerim Corporation, which until recently have crushed a total of 1.0 MMT of soybeans annually with a combined crushing capacity 3,200 MT per day.

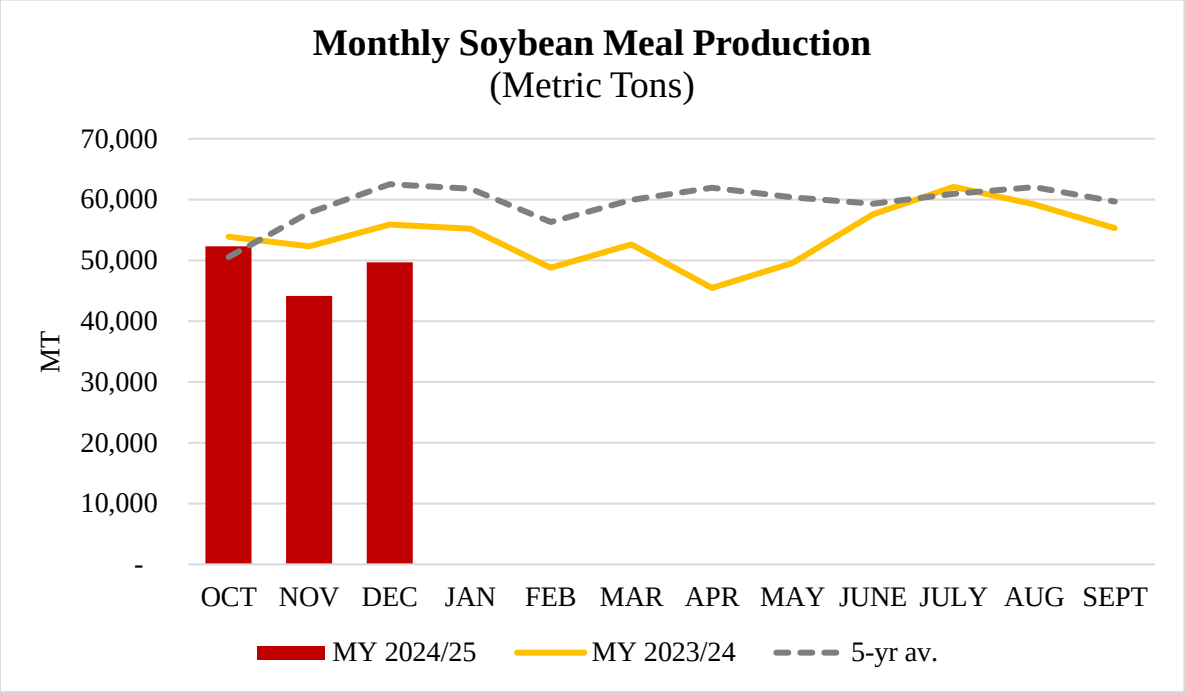
The soybean meal extraction rate in Korea is 0.72, unchanged year-over-year. Compared to other markets, this rate reflects a greater preference for high-protein soybean meal in the compound feed market.

Table 7
Monthly Soybean Meal Production by Domestic Crushing

Soybean Meal Production[1/] (Metric Tons)			
Month	MY 2021/22	MY 2022/23	MY 2023/24
October	48,379	46,368	53,914
November	55,484	62,046	52,306
December	65,014	63,894	55,879
January	64,962	64,124	55,207
February	60,766	56,756	48,791
March	62,907	58,425	52,641
April	65,539	67,865	45,462
May	60,965	62,001	49,582
June	63,118	54,951	57,563
July	66,153	58,177	62,094
August	62,733	59,107	59,182
September	63,144	60,058	55,308
Total	**739,165**	**713,771**	**647,929**
Extraction Rate (Percent)	71.82	72.03	71.85

Source: Korea Soybean Processing Association (KSPA); 1/ based on crushers' actual extraction rate

Figure 4
Crushing on Pace for Record Low Soybean Meal Production



Source: Korea Soybean Processing Association (KSPA)

Oilseed Meal Consumption

Soybean Meal

The Korean oilseed meal market is mature with stable demand as a key ingredient in compound feed production. Post forecasts that 2.2 MMT of soybean meal will be used for feed in MY 2025/26, the same as the current year. Of this, Korea will need approximately 1.6 MMT of imported soybean meal to supplement local production, close to the 3-year average.

Korea generally produces around 22 MMT of compound feed annually. Soybean meal has dominated as the preferred protein source in compound feed production because of its nutritional value, and industry sources expect this trend will continue in coming years. Vegetable proteins account for 25 percent of compound feed ingredients, and soybean meal's share is approximately 10 percent. Corn is the largest feedstock with above 40 percent.

Consumption of other oilseed meals varies depending on their price relative to soybean meal. For example, according to local industry sources, Korean buyers tend to consider using rapeseed meals if the price is positioned at around 60-65 percent of the soybean meal price. In MY 2023/24, increased usage of DDGS replaced some of soybean meal's share in compound feed production. The United States is the primary supplier of DDGS to Korea, with market share consistently around 96 percent.

Other than feed use consumption, imported soybean meal in Korea is an important ingredient in soy sauce manufacturing. In the current year and forecast year, FAS estimates 20,000 MT of

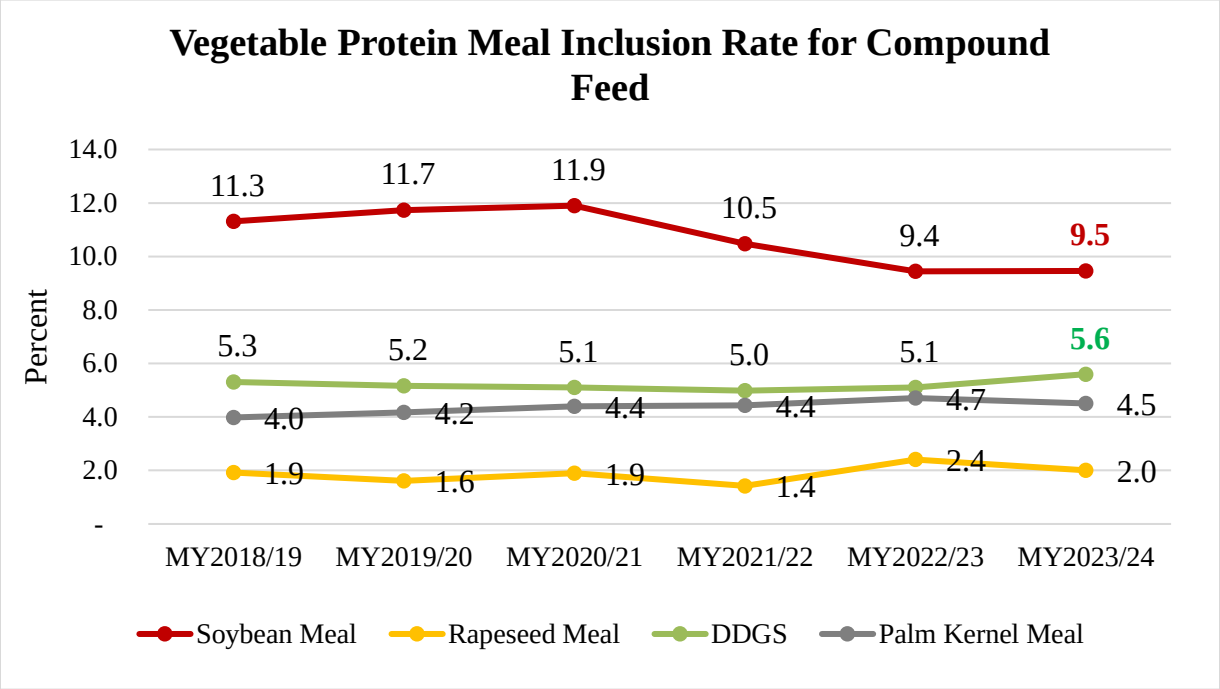
food use soybean meal consumption mostly for soy sauce production. The main suppliers of food use soybean meal are India, China, and the United States. The downward trend in soybean meal food use from MY 2023/24 reflects gradually declining local demand for soy sauce due to the westernization of eating habits and the increased ratio of single households in Korea. Post anticipates further declines in coming years.

Table 8
Feed Ingredients Used for Compound Feed Production

Feed Ingredients Used for Compound Feed Production (1,000 Metric Tons)						
Ingredient	**MY 2021/22**		**MY 2022/23**		**MY 2023/24**	
	Quantity	**Percent**	**Quantity**	**Percent**	**Quantity**	**Percent**
Total Grains and Grain Substitution	**13,725**	**63.9**	**13,512**	**63.1**	**14,110**	**63.9**
- Wheat	2,189	10.2	1,797	8.4	2,031	9.2
- Corn	8,989	41.9	9,279	43.3	9,265	42.0
- Rice	52	0.2	52	0.2	339	1.5
- Others	2,496	11.6	2,382	11.1	2,474	11.2
Total Vegetable Protein	**5,779**	**26.9**	**5,479**	**25.6**	**5,524**	**25.0**
- Soybean Meal[1/]	2,249	10.5	2,023	9.4	2,087	9.5
- Rapeseed Meal	306	1.4	515	2.4	444	2.0
- Palm Kernel Meal	953	4.4	1,008	4.7	984	4.5
- Coconut meal	238	1.1	259	1.2	204	0.9
- DDGS	1,070	5.0	1,093	5.1	1,245	5.6
- Others	963	4.5	581	2.7	560	2.5
Total Animal Protein	**217**	**1.0**	**211**	**1.0**	**220**	**1.0**
- Fish Meal	9	0.0	9	0.0	8	0.0
- Others	208	1.0	202	0.9	212	1.0
Total Others	**1,749**	**8.1**	**2,216**	**10.3**	**2,218**	**10.0**
Grand Total	**21,470**	**100.0**	**21,418**	**100.0**	**22,072**	**100.0**

Source: Korea Feed Association (KFA)
1/ include locally processed de-hulled soybean meal

Figure 5
Vegetable Protein Shares in Compound Feed



Source: Korea Feed Association (KFA)

Oilseed Meal Trade

Soybean Meal

Korea relies on soybean meal imports for about 70 percent of total supply due to limited domestic production. Post Seoul forecasts MY 2025/26 total soybean meal imports will remain near the 3-year average at 1.6 MMT, with a marginal decline from the previous year.

Due to the competitive price of South American soybean meal, the market share of imported U.S. soybean meal has stayed below 5 percent of total imports. Post Seoul expects the U.S. market share in MY 2024/25 to stay at a similar level.

Korea maintains an autonomous soybean meal WTO TRQ, which is set at 2.0 MMT in 2025 with a zero percent in-quota import duty, unchanged from the previous year. To support the livestock industry, Korea also maintains an autonomous zero duty TRQ and preferential FTA duties for other vegetable protein meals such as palm kernel meal and cottonseed hulls.

Korea exports some locally crushed soybean meal, especially high-protein content meals. Soybean meal exports for MY 2025/26 are forecast at 50,000 MT, unchanged from the current marketing year's estimate. The main market for Korean soybean meal exports is Japan.

Table 9
Oilseed Meal Imports

Oilseed Meal Imports (Millions USD, 1,000 Tons, USD per Metric Tons)									
Commodity	MY 2021/22			MY 2022/23			MY 2023/24		
	Value	Quantity	Unit price	Value	Quantity	Unit price	Value	Quantity	Unit price
Soybean Meal	924	1,726	535	838	1,492	561	851	1,664	512
(From USA)	*11*	*14*	*781*	*33*	*57*	*569*	*35*	*67*	*523*
(of total)	*1%*	*1%*	*N/A*	*4%*	*4%*	*N/A*	*4%*	*4%*	*N/A*
Rapeseed Meal	136	380	359	158	519	304	134	413	325
Palm Kernel Meal	256	1,061	54	226	1,111	203	185	1,007	183
Copra Meal	73	264	276	73	264	278	56	217	259
DDGS	404	1,205	335	402	1,180	341	375	1,372	273
(From USA)	*392*	*1,159*	*338*	*380*	*1,113*	*342*	*362*	*1,322*	*274*
(of total)	*97%*	*96%*	*N/A*	*95%*	*94%*	*N/A*	*97%*	*96%*	*N/A*
Others[1/]	125	71	176	120	69	173	244	475	51
Total	**1,918**	**4,707**	**407**	**1,817**	**4,635**	**392**	**1,868**	**5,255**	**356**

Source: Korea Customs Service (KCS)
1/ includes cottonseed meal, peanut meal, sunflower seed meal and fish meal

Table 10
Applied Tariff Schedule

Base Tariff and Applied Tariff Rate for Oilseed Meals (Percent, As of CY 2025)					
Commodity	H.S. Code	Base	Autonomous TRQ	WTO TRQ	KORUS FTA
Soybean Meal	2304.00.0000	1.8	0	1.8	0
DDGS	2303.30.1000	2	0 (35,000 MT)	6.6	0
Cottonseed Meal	2306.10.0000	2	N/A	6.6	0
Rapeseed Meal	2306.41.0000, 2306.49.0000	0		0	0
Copra Meal	2306.50.0000	2		5	0
Palm Kernel Meal	2306.60.0000	2	0 (25,000 MT)	5	0

Source: Customs Law Information Portal (CLIP) under Korea Customs

Table 11
Soybean Meal Exports

Soybean Meal Exports (Metric Tons)			
Country	MY 2021/22	MY 2022/23	MY 2023/24
Japan	50,600	60,590	39,615
Others	26	9	12
Total	**50,626**	**60,599**	**39,627**

Source: Korea Customs Service (KCS)

Table 12
Production, Supply and Distribution: Soybean Meal

Meal, Soybean	2023/2024		2024/2025		2025/2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	925	902	1100	810	0	830
Extr. Rate, 999.9999 (PERCENT)	0.72	0.7184	0.72	0.7198	0	0.7205
Beginning Stocks (1000 MT)	235	235	200	390	0	383
Production (1000 MT)	666	648	792	583	0	598
MY Imports (1000 MT)	1664	1664	1695	1680	0	1600
Total Supply (1000 MT)	2565	2547	2687	2653	0	2581
MY Exports (1000 MT)	40	40	55	50	0	50
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	25	30	25	20	0	20
Feed Waste Dom. Cons. (1000 MT)	2300	2087	2300	2200	0	2200
Total Dom. Cons. (1000 MT)	2325	2117	2325	2220	0	2220
Ending Stocks (1000 MT)	200	390	307	383	0	311
Total Distribution (1000 MT)	2565	2547	2687	2653	0	2581
(1000 MT) ,(PERCENT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Note: USDA Official Data are based on February 2025 WASDE

Oilseed Oil

Oilseed Oil Production

Soybean Oil

Post Seoul forecasts that Korea's MY 2025/26 soybean oil production will be slightly up to 158,000 MT but still behind the past 5-year average of 193,000 MT. The below-average production is primarily due to reduced crushing demand because of high stocks of imported soybean oil since MY 2023/24.

Based on current rates of soybean crushing reported by industry, FAS Seoul has revised the current year estimate of local soybean oil production significantly down from the previous report. Instead of a slight decrease compared to the prior year, MY 2024/25 soybean oil production is projected below 160,000 MT for the first time in over 10 years. This is primarily due to high stocks that have accumulated from increased imported soybean oil in MY 2023/24. The resulting decrease in local crushing demands will have the strongest impact in the current year. Soybean oil production should recover as stocks are drawn down.

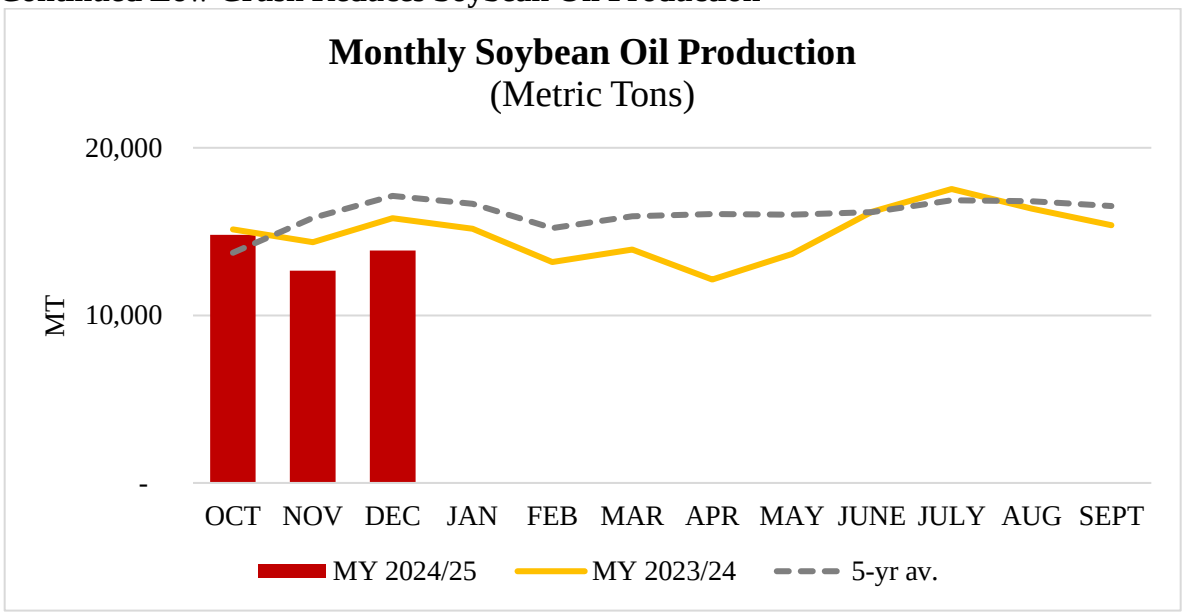
The extraction rate of soybean oil in Korea is steady at 0.19.

Table 13
Soybean Oil Production from Domestic Crushing by Month

Soybean Oil Production (Metric Tons)			
Month	MY 2021/22	MY 2022/23	MY 2023/24
October	13,051	12,555	15,137
November	15,063	16,717	14,363
December	17,794	17,367	15,795
January	17,455	17,342	15,163
February	16,209	15,146	13,173
March	16,717	15,744	13,930
April	17,416	18,147	12,139
May	16,535	16,847	13,660
June	17,139	15,316	16,186
July	17,892	16,185	17,540
August	16,751	16,407	16,376
September	16,893	16,769	15,386
Total	**198,914**	**194,542**	**178,848**
Extraction Rate	19.33	19.63	19.83

Source: Korea Soybean Processing Association (KSPA)

Figure 6
Continued Low Crush Reduces Soybean Oil Production



Source: Korea Soybean Processing Association (KSPA)

Oilseed Oil Consumption

Soybean Oil and Palm Oil

The total consumption of oils for food use in Korea remains at around 1.0 MMT annually, and FAS Seoul forecasts similar levels for MY 2025/26, with approximately 52 percent from soybean oil and 25 percent palm oil. Post forecasts combined industrial consumption of 0.4 MMT for the two major oils, reflecting steady palm oil use and smaller, but slightly increasing soybean oil industrial use.

Korea heavily relies on soybean and palm oil as cooking oils, which together usually cover 65 to 80 percent market share of total oil consumption for food use. Palm oil is the cheapest available oil, and it is estimated that about half of palm oil is used for food, with the other half for biofuels. Due to its high demand in food manufacturing, there is no household use of palm oil in Korea.

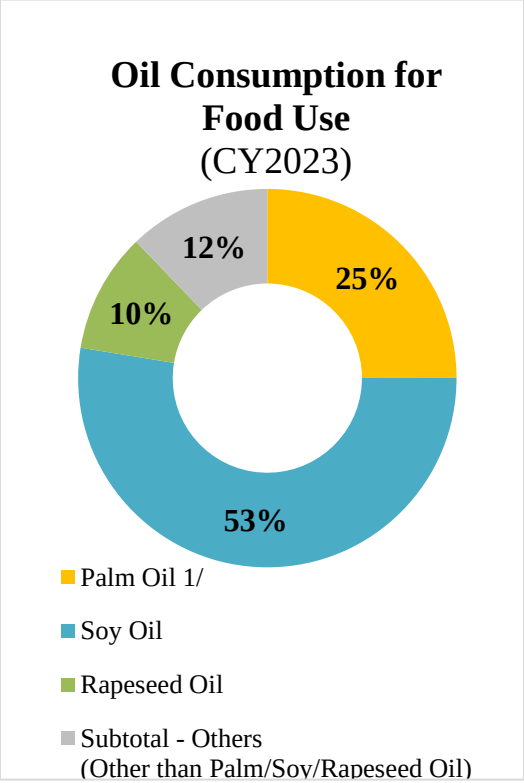
The latest official data available on food use oil consumption are published by Statistics Korea through CY 2023. In households, Koreans prefer soybean oil, canola oil, and olive oil the most.

Since MY 2022/23, the import price of olive oil has soared due to global production cuts and still stands around $10,500 per MT, leading to an even greater price spread with other oils and discouraging Korean customers. As a result, consumption of olive oil in CY 2023 dropped below 10,000 MT, a 13-percent decrease from the previous year. The impacts on soybean and palm oil are limited, however, because premium oils such as olive oil generally compete in a different market segment.

Table 14
Food Use Domestic Consumption by Oils

Oil Consumption for Food Use (Metric Tons, CY 2023)	
Item	**Quantity**
Palm Oil	128,112
Palm Oil 1/	248,112
Soy Oil	522,587
Rapeseed Oil	101,723
Subtotal - Others (Other than Palm/Soy/Rapeseed Oil)	121,128
-Coconut Oil	6,166
-Sunflower Oil	18,345
-Olive Oil	9,766
-Rice Bran Oil	10,256
-Palm Kernel Oil	60
-Corn Oil	41,081
-Perilla Oil	3,328
-Sesame Oil	27,554
-Others 2/	4,572
Total	873,550
Total 1/	**993,550**

Figure 7
Market Share of Edible Oils



Source: Statistics Korea (KOSTAT), "Production and sales for food in Edible oil category" by MFDS
Note: KOSTAT data are based on deliveries from food manufacturers only and exclude processed products that do not contain edible oil in the final products (e.g. noodles/snacks). Imports of final goods are included. As of CY 2023, mixed oil consisting of soybean oil (60 percent), rapeseed oil (30 percent) and palm oil (10 percent) was included in each oil category, and mainly used for food service in 18L containers.
1/ Includes palm oil in cooking oil as a final product (reported by KOSTAT), plus FAS/Seoul estimate of palm oil used in food manufacturing based on industry interviews (around 120,000 MT)
2/ Includes grapeseed oil, avocado oil, hemp oil and others

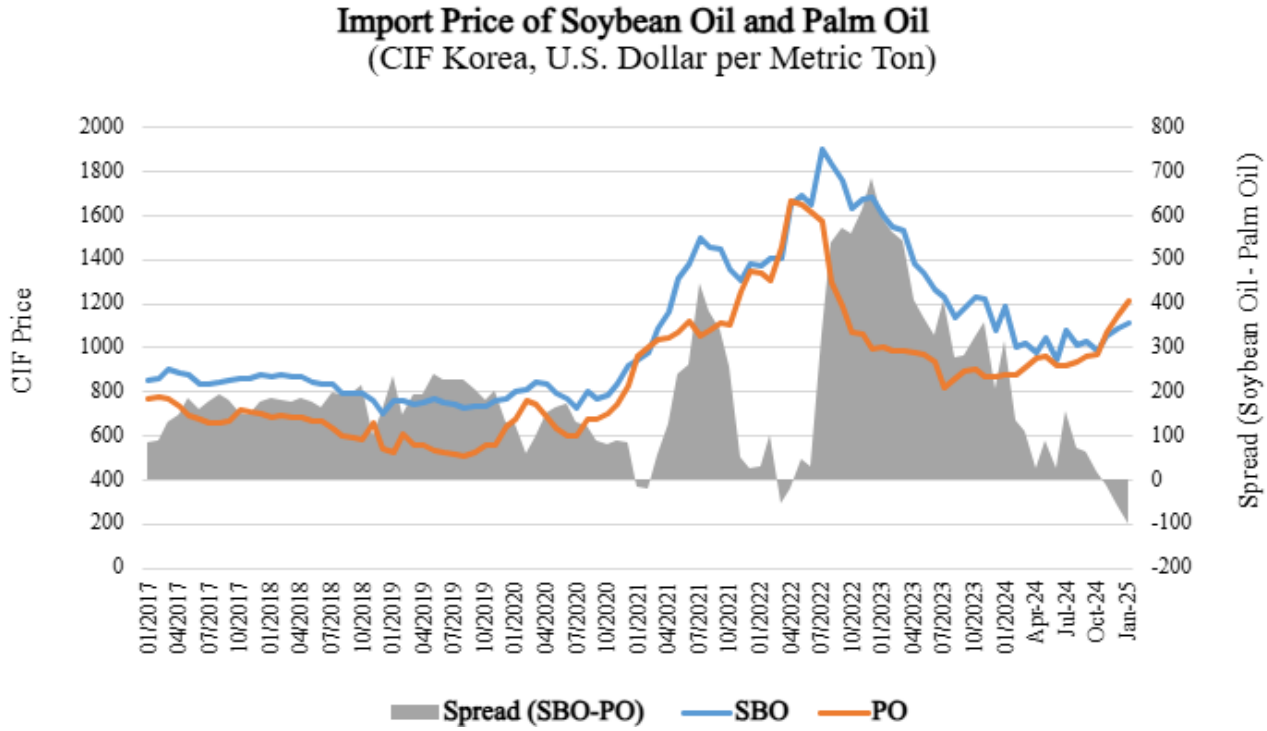
Oilseed Oil Trade

Soybean Oil and Palm Oil

Post Seoul forecasts that Korea's soybean oil imports will be down slightly in MY 2025/26 from the prior year, returning to average following record high imports in MY 2023/24. Palm oil imports in MY 2025/26 are also projected to return to normal levels after the current year's reduction from high global prices.

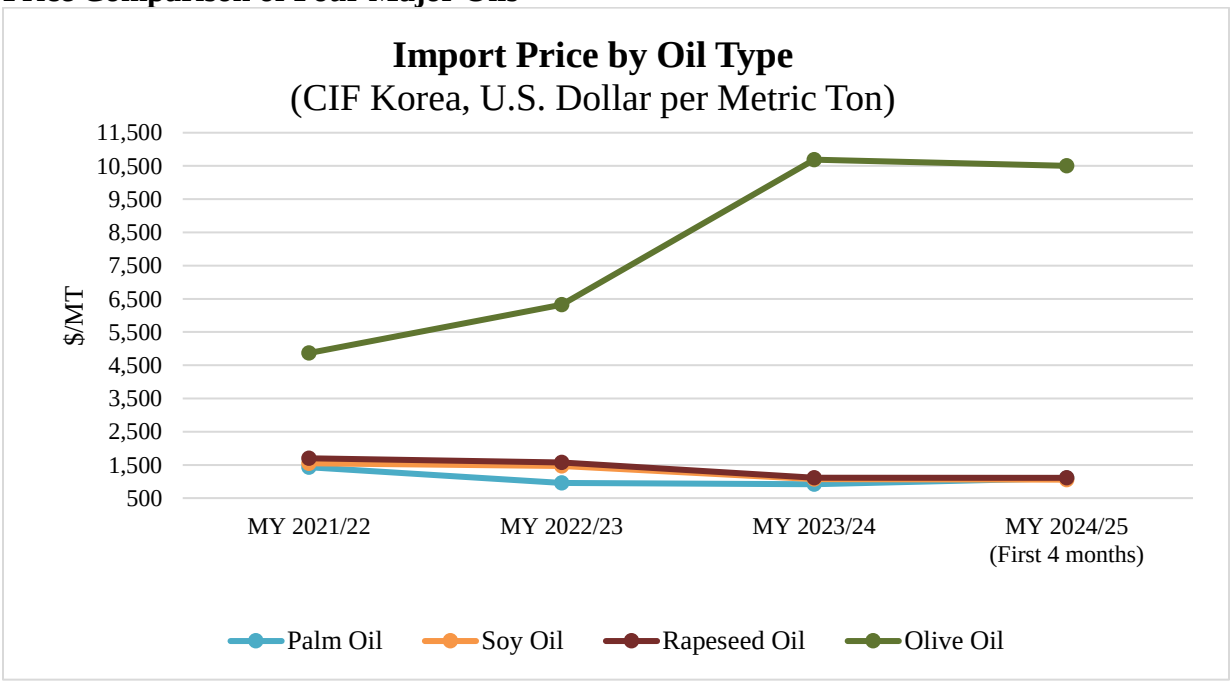
Post has revised current year palm oil imports down 17 percent from the previous report based on import data during the first 4 months of MY 2024/25. From October 2024 through January 2025, the import price of palm oil surpassed the price of soybean oil, resulting in a 23-percent drop in palm oil import volumes. Korea's palm oil imports in coming months will be influenced by national energy policies in supplier countries, especially Indonesia and Malaysia. For example, buyers are concerned about a potential rise in global prices from tightening exportable quantities of palm oil as Indonesia implements its new B40 biodiesel blending mandate.

Figure 8
Palm Oil Price Surpassed Soybean Oil in November 2024



Source: Korea Customs Service (KCS)

Figure 9
Price Comparison of Four Major Oils



Source: Korea Customs Service (KCS)
Note: Price is based on CIF destination ports in Korea

Table 15
Oil imports by Commodity

Oils Imports by Commodity (1,000 Metric Tons, CIF USD per Metric Tons)								
Commodity	MY 2021/22		MY 2022/23		MY 2023/24			
	Quantity	Unit price	Quantity	Unit price	Quantity		Unit price	
						YoY(%)		YoY(%)
Palm Oil	590	1,429	637	954	647	1.6	918	- 3.8
Soy Oil	392	1,548	353	1,465	447	27	1,067	- 27
(From United States)	111	1,622	0	2,787	12	N/A	1,024	- 63
(Percent of total soybean oil)	28%	N/A	0%	N/A	3%	N/A	N/A	N/A
Rapeseed Oil	129	1,699	136	1,572	151	11	1,114	- 29
Sunflower Oil	42	2,105	28	2,386	44	61	1,543	- 35
Olive Oil	29	4,867	17	6,320	17	- 5	10,688	69
Corn Oil	2	1,825	2	1,421	3	33	1,147	19
Others 1/	15	5,284	12	5,563	12	- 6	6,375	15
Total	**1,199**	**1,653**	**1,186**	**1,339**	**1,321**	**11**	**1,183**	**- 12**

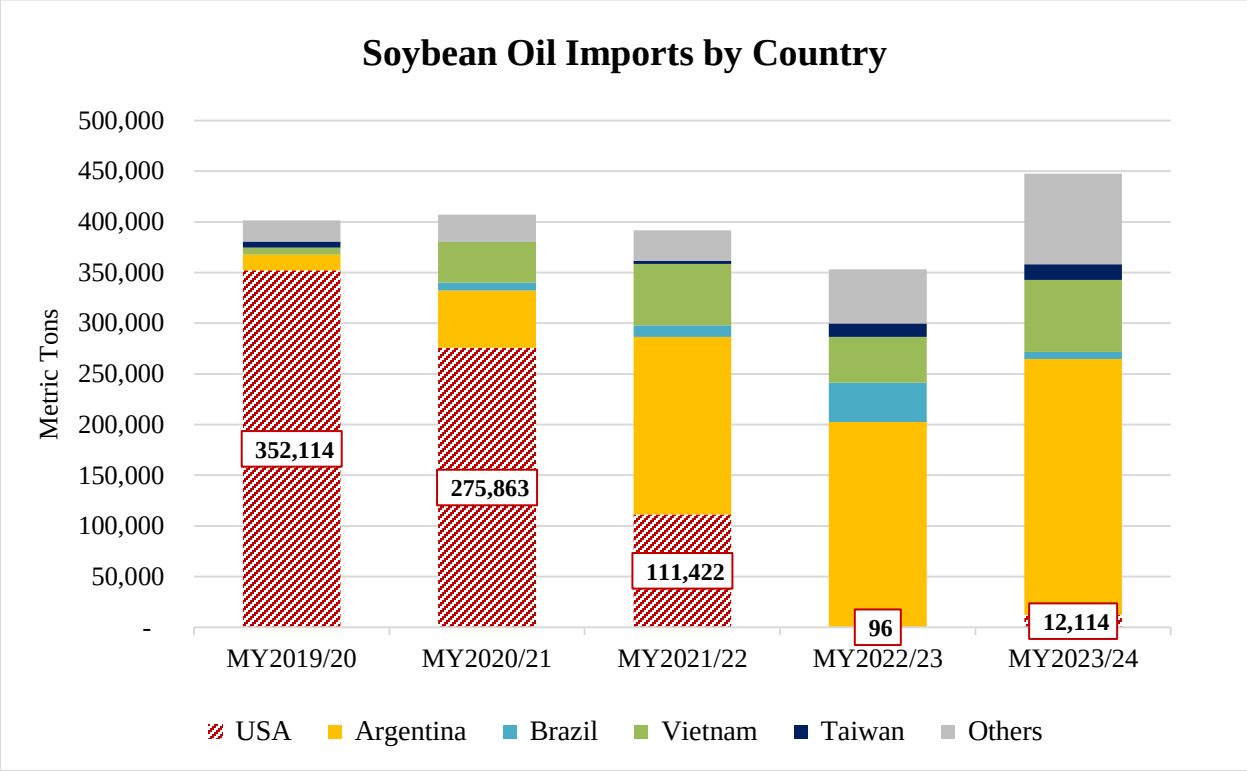
Source: Korea Customs Service (KCS) 1/ Includes grapeseed oil, avocado oil, and others (HS code 1515.90.9090)
Note: Price is based on CIF destination ports in Korea. Decimal places are truncated. The sum of individual items in the table may differ from the overall total

The U.S. market share of imported soybean oil in Korea dropped dramatically over the past five years due to increased demand for soybean oil in the United States as a domestic biofuel feedstock. Since MY 2020/21, alternative origins like South America and Southeast Asia have taken over the share once occupied by the United States, and U.S. market share hit near zero in MY 2022/23. Soybean oil from the United States used to be recognized for its superior quality with lower refining costs, along with import tariff benefits. Under KORUS, U.S. soybean oil enjoys a zero percent tariff compared to the general rate of 5 percent. Temporary tariff exemptions by the Korean government for both crude and refined soybean oils from 2022 through the end of 2023 accelerated imports from diversified origins. Korea's soybean oil imports in MY 2023/24 soared to 447,000 MT, a record high.

Currently, the United States is reclaiming part of the soybean oil market. According to industry contacts, there are renewed exportable supplies from the United States, and Korean buyers are now purchasing U.S. soybean oil in some of their tenders. As of early February 2025, the USDA Exports Sales Query System showed 78,605 MT of U.S. soybean oil had been committed for export to Korea so far in MY 2024/25.

Korea exports small quantities of soybean oil to a diverse range of destinations including Japan, China, the Philippines, and Indonesia. In MY 2025/26, exports are expected to remain flat at 2,000 MT.

Figure 10
The United States Almost Disappeared as a Soybean Oil Supplier



Source: Korea Customs Service (KCS)
Note: Numbers in square show the imports from the United States

Biofuels

Korea consumes an estimated 22 MMT of petroleum-based fuels annually. Korea's mandated percentage of biofuel blending in petroleum-based diesel will rise moderately over the next few years, to 8 percent by 2030 from its current 4 percent in 2025.

According to the Korea Bio-energy Association (KBEA), the main feedstocks of biodiesel are RBD (Refined, Bleached, and Deodorized) palm oil and oil palm byproducts, which total about 55-65 percent. Domestically produced used cooking oil (UCO) follows with 20-30 percent. According to KBEA, the current refining capacity of biodiesel in Korea is estimated at around 1.2 MMT.

Korea is an active UCO exporter, reaching 63,000 MT in MY 2023/24 for the first time in its history. The primary export market was the United States, which accounted for 43 percent of total exports, followed by Singapore and Malaysia. In addition to UCO, Korea exported $69 million of biodiesel to the United States in CY 2024.

Table 16
Types of Biodiesel Feedstock in Korea

Biodiesel Feedstock by Year (Thousands of Metric Tons, Calendar Year)							
By Type		**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Domestic Supplies	Used Cooking oil	163	161	175	174	172	166
	Animal Fat	17	16	9	4	46	59
	Others 2/	1	1	-	0	27	37
	Sub Total	181	178	184	178	244	262
Imports	Soybean Oil	5	1	16	48	14	13
	Palm Byproducts 1/	250	337	337	333	398	408
	Palm Oil (RBD)	159	97	151	143	141	178
	Used Cooking oil	11	5	65	133	59	40
	Others 2/	8	25	16	38	18	32
	Sub Total	433	465	585	695	629	671
Total		**614**	**643**	**769**	**873**	**873**	**933**
Portion (Percent)	Palm-related	67	67	63	55	62	63
	UCO	28	26	31	35	26	22

Source: Korea Bio-energy Association
1/ All palm-related products except RBD Palm Oil, including PFAD (Palm Fatty Acids Distillate), Palm Acid Oil, Palm Kernel Oil, Palm Stearin. PFAD is the primary source of byproducts with the annual imports of 300,000 MT.
2/ Includes fish and dark oil (domestically supplied); and rapeseed/coconut/cottonseed oil and tallow (imported)

Table 17
Export of Used Cooking Oil by Country

Export of Used Cooking Oil by Country (HS 1518 00 9090) (Metric Tons, Marketing Year)			
Country	**MY2021/22**	**MY2022/23**	**MY2023/24**
United States	0	5,000	27,161
Singapore	16,415	17,266	17,964
Malaysia	10,960	121	12,812
Spain	0	0	2,500
Others	847	4,545	2,638
Total	**28,222**	**26,932**	**63,075**

Source: Korea Customs Service (KCS)

Table 18
Tariff Schedule and Applied Tariff Rate for Selected Oils

Base Tariff and Applied Tariff Rate for Oils (Percent, As of CY 2025)					
Commodity	H.S. Code	Base	WTO TRQ		KORUS FTA
			In-quota	Out-of-quota	
Soybean Oil for Food, Crude	1507.10.1000	5	5.4		0
Soybean Oil for Biodiesel, Crude	1507.10.2000				
Soybean Oil for Other, Crude	1507.10.9000				
Soybean Oil for Food, Refined	1507.90.1010				
Soybean Oil for Biodiesel, Refined	1507.90.1020				
Soybean Oil for Other, Refined	1507.90.1090				
Soybean Oil, Other	1507.90.9000				
Olive Oil	1509.xx.xxxx	5	27		0
Palm Crude Oil	1511.10.0000	3			
Palm Oil	1511.90.xxxx	2			
Sunflower Oil [1/]	1512.1x.xxxx	5	18		
Coconut Oil	1513.1x.xxxx	3	27		
Palm Kernel Oil [2/]	1513.21.xxxx 1513.29.1010 1513.29.9000	8	27		
Rapeseed Oil, Refined	1514.19/1514.99.xxxx	5	36		
Rapeseed Oil, Others/Crude	1514.11/1514.91.xxxx	5	36		
Corn Oil	1515.2x.xxxx	5	22.5		
Sesame Oil	1515.50.0000	40	40	630 percent or 12,060 KRW/kg whichever is greater	42 percent or 804 KRW per kg, whichever is greater (<58.8 MT) 630 percent (>58.8 MT)
Perilla Seed Oil	1515.90.1000	36	36		0
Rice Bran Oil	1515.90.9010	5	22.5		0

Source: Customs Law Information Portal (CLIP) under Korea Customs; 1/ Import tariff of sunflower seed oil is for refined oil under HS code 1512.19.1010 (over 99 percent of total within HS code 1512.1x.xxxx); 2/ Applicable import duty of palm kernel oil is 5 percent of preferential rate ("international cooperation duty")

Table 19
Production, Supply and Distribution: Soybean Oil

Oil, Soybean	2023/2024		2024/2025		2025/2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	925	902	1100	810	0	830
Extr. Rate, 999.9999 (PERCENT)	0.1968	0.1984	0.1964	0.1901	0	0.1904
Beginning Stocks (1000 MT)	67	67	94	146	0	113
Production (1000 MT)	182	179	216	154	0	158
MY Imports (1000 MT)	447	447	350	390	0	380
Total Supply (1000 MT)	696	693	660	690	0	651
MY Exports (1000 MT)	2	2	2	2	0	2
Industrial Dom. Cons. (1000 MT)	40	25	35	35	0	40
Food Use Dom. Cons. (1000 MT)	560	520	550	540	0	520
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	600	545	585	575	0	560
Ending Stocks (1000 MT)	94	146	73	113	0	89
Total Distribution (1000 MT)	696	693	660	690	0	651
(1000 MT) ,(PERCENT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Note: USDA Official Data are based on February 2025 WASDE

Table 20
Production, Supply and Distribution: Palm Oil

Oil, Palm	2023/2024		2024/2025		2025/2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	0	0	0	0	0	0
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	62	62	79	89	0	79
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	647	647	650	580	0	620
Total Supply (1000 MT)	709	709	729	669	0	699
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	395	370	400	360	0	370
Food Use Dom. Cons. (1000 MT)	235	250	250	230	0	250
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	630	620	650	590	0	620
Ending Stocks (1000 MT)	79	89	79	79	0	79
Total Distribution (1000 MT)	709	709	729	669	0	699
Yield (MT/HA)	0	0	0	0	0	0
(1000 HA) ,(1000 TREES) ,(1000 MT) ,(MT/HA)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Note: USDA Official Data are based on February 2025 WASDE

Attachments:

No Attachments