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Korea - Republic of

Oilseeds and Products Annual

2015 Annual Report

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Report Highlights:

Soybean imports are expected to be around 1.2 million MT for MY 2014/15, a decrease of six percent from the previous marketing year due to higher beginning stocks. The U.S will continue to be the major supplier at an expected 600,000 MT. Soybean production in MY 2014/15 decreased ten percent to 139,267 MT due to decreased acreage and lower yield. Meanwhile, soybean meal production for MY 2014/15 is expected to stay at 713,000 MT due to better crush margins compared to rapeseed. Soybean meal imports are expected to stay at 1.65 million MT.

Commodities:

Oilseed, Soybean

Production:

Soybeans account for approximately 73 percent of Korea's total oilseed production, while sesame and perilla combine for about 22 percent of the total in MY 2013/14. The remainder largely consists of rapeseed and peanuts. However, the Korean government has not released rapeseed production numbers since CY 2010.

The Korean Rural Economic Institute (KREI) conducted a nationwide planting intention survey of 1,155 soybean farmers from December 24-31, 2014. According to the survey results, MY 2015/16 soybean area is forecast to decrease to 70,201 hectares, down 4,451 hectares (6 percent) from the previous year's harvest. This decrease is due to domestic soybean prices that have been bearish affected by greater yields in two recent consecutive years. Using the KREI survey results as a benchmark, Post is forecasting MY 2015/16 soybean production to decrease by 13 percent from the previous year on a five-year-average yield.

In MY 2014/15, soybean production decreased to 139,267 MT, down 14,800 MT (10 percent) from the previous year due to declining soybean acreage coupled with lower yield, caused by unfavorable weather during the pollination stage in the southern area of the Korean peninsula.

In CY2015, government purchases of 2014 soybean crop were approximately 9,409 MT, reaching about 94 percent of purchasing target as farmers opted to sell their beans through the government purchase channel because of bearish commercial trends in the soybean market since fall 2013. The bearish commercial market prices caused by consecutive bumper crops forced farmers to sell their soybeans to the government at Korean Won 3,868/kg ($3.68) as the prescribed rate.

Korea: Soybean Production			
Crop Year	Area (ha)	Yield (kg/ha)	Production (mt)
2009	70,265	1,982	139,251
2010	71,422	1,475	105,345
2011	77,849	1,662	129,394
2012	80,842	1,516	122,519
2013	80,031	1,925	154,067
2014	74,652	1,866	139,267
2015 (f) [1/]	70,201	1,690	120,000

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA)
1/ FAS Seoul forecast.

Korea: 2015 Soybean Planting Intention			
Crop Year	Upland (ha)	Paddy Land (ha)	Total (ha)
2014	63,867	10,785	74,652
2015	60,088	10,114	70,201
Growth Rate (%)	-5.9	-6.2	-6.0

Source: Korea Rural Economic Institute (KREI)
Note: Based on KREI telephone survey to 1,155 farm households for December 24-31, 2014

Korea: Oilseed Area and Production (Hectares and Metric tons)				
Crops	MY 2013		MY 2014	
	Area	Production	Area	Production
Soybean	80,031	154,067	74,652	139,267
Peanuts[2/]	4,374	10,875	Na[3/]	Na[3/]
Sesame	23,184	12,392	28,370	12,158
Perilla	30,130	33,347	Na[3/]	Na[3/]
Total	137,719	210,681	Na[3/]	Na[3/]

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA)
Notes:
1/ FAS/Seoul estimates.
2/ In-shell
3/ Data will be available around May 2015

Korea: Government Purchases of Soybeans					
	Grown in rice paddy area		Grown in upland area		
Year	Price (KRW/Kg)[1/]	Quantity (mt)	Price (KRW/Kg)[1/]	Quantity (mt)	Total Purchase (mt)
2008	3,017	1,891	3,017	1,025	2,916
2009	3,168	509	3,168	763	1,272
2010	3,168	0	3,168	0	0
2011	3,168	0	3,168	0	0
2012	3,618	0	3,618	0	0
2013	3,868	1,373	3,868	7,571	8,944
2014	3,868	na	3,868	na	9,409

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

Korea: Wholesale Prices of Domestic Soybeans (High Quality, Korean Won per Kg)												
Month	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
2010	3,761	3,860	4,071	4,283	4,457	4,814	4,929	4,851	4,719	5,410	6,309	6,722
2011	7,027	7,121	7,185	7,250	7,244	7,163	7,080	6,971	6,855	6,145	5,581	5,320
2012	5,177	5,229	5,254	5,436	5,548	5,580	5,583	5,583	5,583	5,647	5,961	6,155
2013	6,229	6,311	6,314	6,314	6,333	6,326	6,338	6,286	6,286	5,885	5,193	4,594
2014	4,435	4,142	4,057	4,057	4,057	4,057	4,057	4,057	4,057	3,931	3,997	3,973
2015	3,977											

Source: Korea Agro-Fishery& Food Trade Corporation (aT)
Applicable Exchange Rate (Korean Won per USD): 1,052 on average in 2014

Consumption:

Soybeans account for the majority of oilseed consumption. Consumption in MY 2015/16 is forecast to remain unchanged from the current marketing year at 1.36 million MT amid gradually decreasing domestic production, of which 900,000 MT will go for crushing and 410,000 MT for food processing use in items like tofu, soymilk and soy sauce with others for feed, seed and waste remaining constant. All domestic production goes to food use. Future growth in overall soybean consumption is expected to be minimal. Consumption for crushing will be stagnant at the level of 900,000 MT since CJ Corporation, a leading Korean soybean crusher, decided to return to soybean crushing from canola seed crushing in the second half of 2013 due to narrow canola processing margin. CJ adapted their flexible crushing facilities system and operated according to a comparison of crushing margins between rapeseed/canola and soybeans since December 2012. In MY 2012/13, CJ Corporation crushed 62,000 MT of canola seed.

In MY 2014/15, soybean consumption is expected to decrease to 1.36 million MT due to less consumption of food soybeans caused by declining domestic soybean production, consisting of 900,000 MT for crushing and 410,000 MT for food, respectively.

In MY 2013/14, because of canola seed's narrow crushing margin, CJ Corporation returned to soybean crushing which resulted in increased soybean consumption for crushing to 897,610 MT, up 11 percent from the previous year. Bearish trend of domestic soybeans prices caused by a consecutive bumper crop led to the increase of domestic soybean use for food processing as well.

Korea: Soybean Consumption for Crushing (Metric Ton)			
Month	MY 12/13	MY 13/14	MY 14/15
October	59,200	72,100	77,250
November	67,800	59,500	72,500
December	66,700	68,900	76,250
January	66,600	83,040	Na
February	59,700	71,500	Na
March	81,000	90,100	Na
April	78,100	75,570	Na
May	74,000	68,500	Na
June	66,900	79,900	Na
July	54,000	72,000	Na
August	71,300	82,250	Na
September	62,300	74,250	Na
Total	807,600	897,610	Na

Source: Korea Soybean Processing Association

Korea: Distribution of Imported Soybeans for Food Manufacturing by the Korea Agro Fisheries & Food Trade Corp (aT) (Calendar Year, Metric Ton)			
Item\Year	CY 2012	CY 2013	CY 2014
Soybean Curd	131,655	140,837	117,393
Soy Paste	39,475	44,208	39,460
Soy Paste/Soy Flour	5,458	5,631	6,112
Soy Milk	34,805	38,330	27,923
Soy Sprout	30,375	45,000	29,201
Others 1/	664	300	300
Sub. Total	242,432	274,306	220,389
By product 2/	58,200	36,000	37,119
Total (A)	300,632	310,360	257,508
TRQ Allocation to End-Users Direct Commercial Purchases			
Soybean Curd	6,802	13,012	8,000
Soymilk	3,161	4,033	0
Soy-Paste/Red Pepper	4,323	4,970	2,000
Soy Sprout	10,000	2,985	10,000
Total (B)	24,286	25,000	20,000
Soy-sauce/protein (after crushing)(C)	6,800	5,800	6,800

Grand Total (A+B+C)	331,718	341,106	284,308

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

Trade:

Soybeans account for more than 92 percent of total oilseed imports of which approximately 70 percent are used for crushing in the latest marketing year. Despite the constant demand for imported soybeans, MY 2015/16 soybean imports are forecast to remain unchanged from the current marketing year estimate of 1.2 million MT. MY 2014/15 soybean imports are expected to decrease 6 percent from the previous year due to a higher beginning stocks.

Crushing

Imports of crushing soybeans in MY2015/16 are forecast to remain largely unchanged from the current marketing year's estimate of 900,000 MT in consideration of crushers' preference to process soybeans rather than rapeseed.

Imports during the first three months of MY2014/2015 (Oct-Dec) reached slightly less than 220,000 MT with an additional 440,000 MT contracted for delivery during Jan - Jun 2015. However, import numbers during the first quarter of MY2014/15 were up 10 percent over the same period of MY 2013/14, crushers are expected to import 3 percent less than the previous year's level in consideration of higher level beginning stocks of crushing soybeans.

The CY 2015 autonomous crushing soybean quota is 1.1 million tons with an adjustable in-quota tariff, which was cut from 3 percent to zero. Under the KORUS FTA, the duty on U.S. crushing soybeans fell to zero immediately as of March 15, 2012. In MY 2013/14 the majority of crushing beans came from the United States and Brazil followed by Paraguay.

Korea: Total Soybean Imports

(Unit: MT)

Marketing Year (Oct/Sep)	Crushing Soybean	Food Grade Soybean	Total
2007/08	927,847	295,333	1,223,180
2008/09	893,445	273,465	1,166,910
2009/10	924,491	272,733	1,197,224
2010/11	934,281	304,647	1,238,928
2011/12	786,654	352,335	1,138,989
2012/13	811,886	299,659	1,111,545
2013/14	930,277	340,559	1,270,836

Source: Korea Customs Service (KCS)

Korea: Crushing Soybean Imports by Origin

(Unit: MT)

Marketing Year (Oct/Sep)	USA	Brazil	China	Others	Total
2006/07	485,397	465,529	20	0	950,946
2007/08	374,940	552,887	20	**0**	927,847
2008/09	327,900	565,545	0	0	893,445
2009/10	492,776	431,715	0	0	924,491
2010/11	485,109	405,551	0	43,621[a/]	934,281
2011/12	173,447	418,292	0	194,915[a/]	786,654
2012/13	374,167	384,262	0	53,461[a/]	811,886
2013/14	372,504	455,920	0	101,853[a/]	930,277

Source: Korea Customs Service (KCS)
a/ Paraguay

Korea: Soybean Contracts for Crushing under MY 2014/15 Arrival by Origin (Unit: 1,000 MT, as of January 2015)					
Estimated Time of Arrival	USA	Brazil	Optional[1/]	Others	Total
Oct. 2014	0	0	55	0	55
Nov	55	0	55	0	110
Dec	55	0	0	0	55
Jan. 2015	55	0	0	0	55
Feb	110	0	0	0	110
Mar	110	0	0	0	110
Apr	0	0	55	0	55
May	0	0	55	0	55
Jun	0	0	55	0	55
Jul	Na	Na	Na	Na	Na
Aug	Na	Na	Na	Na	Na
Sep.	Na	Na	Na	Na	Na
Total	**385**	Na	**275**	Na	**660**

Source: Local Traders

1/ optional origin between Brazil and Paraguay

Food Use

The Korea Agro-Fishery and Food Trade Corporation (aT), the government's state trading arm, controls the bulk of marketing of non-GMO food grade soybeans for food processing under its autonomous WTO TRQ. aT distributes soybeans to end-users and charges a mark-up for margins that support domestic crop production in addition to handling costs and cleaning, which involves removing any foreign material and broken soybeans upon arrival.

Under its CY 2016 anticipated TRQ based procurement plan, aT contracted for 180,000 MT of soybeans on basis trading contracts at the end of 2014, with delivery during the first half of CY 2016. Accordingly, in MY 2015/16 imports of food grade soybeans are forecast in the range of 280,000-300,000 MT under autonomous WTO TRQ, with the majority coming from the United States followed by China, Canada, and Brazil. The United States is expected to retain 60 – 70 percent of the import market for food use soybeans. The gains under the KORUS FTA will further strengthen the U.S. position. U.S. food grade soybeans are primarily used in products like tofu, soybean paste/sauce and soymilk, while China mainly supplies soybeans for sprouting.

Under its CY 2015 TRQ of 270,000 MT based procurement plan, aT will directly import 250,000 MT of soybeans, of which 220,000 MT is for food processing and 30,000 MT is for sprouting. The import license for the remaining 20,000 MT has been allocated to end-users, who can contract with soybeans suppliers directly. In late 2013, aT purchased 200,000 MT on basis trading contracts from the United States for delivery during the first half of CY 2015. The remaining 20,000 MT will likely be purchased off the spot market sometime in CY 2015 with delivery during the second half of CY 2015.

In CY2014, aT distributed about 191,188 MT of imported food-quality soybeans (excluding soy by-products and sprouts) at an average price of Korean Won1,020 per KG (or $970/MT), which was unchanged from the previous year. During this period, the average price of imported soybeans for food processing was $749/MT (CIF). Based on these figures, aT made an estimated $42 million in selling imported food grade soybeans to end-users. However, as Korean soybean farmers groups and NGOs have complained about the government selling price of imported soybeans being much cheaper than domestically grown soybeans, aT is anticipated to increase the selling price of imported soybeans in the near future.

Korea: Food Grade Soybean Imports by Origin (Unit: MT)					
Marketing Year (Oct/Sep)	USA	Brazil	China	Others	Total
2006/07	114,339	8,000	133,917	23,874	280,130
2007/08	60,311	15,890	218,905	227	295,333

2008/09	58,233	4,500	210,728	4	273,465
2009/10	215,932	4,000	47,546	5,255	272,733
2010/11	216,984	35	80,162	7,466	304,647
2011/12	225,084	5,300	109,726	12,225	352,335
2012/13	192,728	1,702	83,449	21,780	299,659
2013/14	247,832	0	80,307	12,420[a/]	340,559

Source: Korea Customs Service (KCS)
a/Canada (7,584) and Australia (4,836)

The government set the 2015 autonomous WTO TRQ for U.S. #1 grade soybeans at about 270,000 MT, consisting of approximately 30,000 MT of soybeans for sprouting and 240,000 MT for food processing. The TRQ also includes a 20,000 MT allocation for direct import under an import license quota, consisting of 10,000 MT of soybeans for sprouting and 10,000 MT of food grade soybeans, which will effectively allow end-users or importers to bypass aT and buy from direct sources. The applicable in-quota tariff rate is 5 percent, while the out-of-quota tariff rate is a prohibitive 487 percent, or 956 Korean won (or US$ 0.87) per kg, whichever is greater.

Under the KORUS-FTA, Korea has established a zero tariff rate quota for 10,000 MT of food-grade identity-preserved (IP) soybeans in the first year of the agreement in CY 2012, increasing to 20,000 MT in year two and 25,000 MT in year three. For years four and beyond, the TRQ grows three percent annually in perpetuity. As 2015 represents year four of the agreement, the quota for this year is 25,750 MT. The TRQ is administered by associations of food-grade soybean processors and gives U.S. suppliers direct market access to these companies. However, Korean food soybeans processors imported just 3,453 MT, or 35 percent of the 2012 KORUS FTA quota due to unexpectedly high U.S. soybean prices, short lead time for contracting IP soybeans, and the availability of lower-priced soybeans marketed by aT. In CY 2013, Korean soybean processors who secured 20,000 MT of TRQ under the KORUS FTA imported 12,046 MT, or 60 percent of the 2013 TRQ because they failed to purchase IP food grade soybeans in the spot markets on time, which has typically traded on a contract farming basis.
In CY 2014, Korean soybean processors successfully imported 23,832 MT, 95 percent of 25,000 MT of the KORUS FTA TRQ by securing IP food grade soybeans through farming contracts in advance. The KORUS FTA TRQ of 25,750 MT in CY 2015 has already been allocated to soybean processors.

As the Korea-Canada FTA went into effect on January 1, 2015, Korea established a duty free quota for 5,000 MT of food grade identity preserved soybeans in the first year, increasing by 2,500 MT annually up to 15,000 MT in 2019 for the first five years and continuing to increase by 400 MT annually up to 17,000 MT in 2024, the tenth year. For years eleven and beyond, the in-quota quantity will be fixed at 17,000 MT annually.

Korea also set up a duty free quota for 500 MT of Australian food grade IP soybeans in 2014 for the first year when the Korea-Australia FTA took effect on December 12, 2014. An annual increment of 50 MT becomes 550 MT in 2015 for the second year, reaching 1,000 MT in 2024, the eleventh year. The in-quota quantity shall remain fixed at 1,000 MT for years 12 and beyond.

Korea: IP Soybeans Quota Allocation under KORUS FTA (Metric Ton)			
Calendar Year	Allocation	Implementation	Ratio (%)
2012	10,000	3,453	35
2013	20,000	12,046	60
2014	25,000	23,832	95
2015	25,750	na	na
2016	26,523	na	na

Source: Korea Agro-Fishery & Food Trade Corporation (aT)

Korea: KORUS FTA IP Soybeans Quota Allocation and Imports per Processor Association (Metric Ton)			
Trade Association of Food Soybeans Processors	2014	2015	2016

	Allocation	Import	Allocation	Allocation
Korea Federation of Tofu Coop.(KFTC)	7,127	6,905	7,370	7,610
Kyung-In/Seoul Soybean Processed Foods Cooperation	1,663	1,660	1,520	1,470
Korea Jang Cooperative	4,970	4,371	5,040	5,200
Korea Foods Industry Association	4,033	4,031	4,340	4,050
Korea Soybean Foodstuffs Association	1,647	1,305	1,620	1,720
Korea Bean Curd Manufacture Coop.	2,317	2,317	2,490	2,490
Seoul Kyung In Beancurd Manufacture Cooperation	363	363	410	423
Korea Beansprout Association	2,880	2880	2,900	2,860
Korea Dhyana Food Industry Cooperative	-	-	60	140
Seoul Soybean-Processed Foods Cooperative	-	-	-	560
Total	25,000	23,832	25,750	26,523

Source: Korea Customs Service (KCS); Korea Agro-Fishery & Food Trade Corporation (aT)

Korea: Australian and Canadian IP Soybeans TRQ under FTA (Metric Ton)											
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Australia	500	550	600	650	700	750	800	850	900	950	1,000
Canada	na	5,000	7,500	10,000	12,500	15,000	15,400	15,800	16,200	16,600	17,000

Source: Korea-Canada FTA, Korea-Australia FTA

Production, Supply and Demand Data Statistics:

Soybean, Oilseed PS&D

Oilseed, Soybean	**2013/2014**		**2014/2015**		**2015/2016**	
Market Begin Year	**Oct 2013**		**Oct 2014**		**Oct 2015**	
Korea, South	**USDA Official**	**New post**	**USDA Official**	**New post**	**USDA Official**	**New post**
Area Planted	80	80	80	75	0	70
Area Harvested	80	80	74	75	0	70
Beginning Stocks	61	61	46	118	0	97
Production	154	154	127	139	0	120
MY Imports	1,271	1,271	1,300	1,200	0	1,200
MY Imp. from U.S.	500	620	570	600	0	600
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,486	1,486	1,473	1,457	0	1,417
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Crush	1,000	898	950	900	0	900
Food Use Dom. Cons.	400	420	410	410	0	410
Feed Waste Dom. Cons.	40	50	50	50	0	50
Total Dom. Cons.	1,440	1,368	1,410	1,360	0	1,360
Ending Stocks	46	118	63	97	0	57
Total Distribution	1,486	1,486	1,473	1,457	0	1,417
1000 HA, 1000 MT						

Soybean Import Trade Matrix

Import Trade Matrix			
Country	Korea, Republic of		
Commodity	Oilseed, Soybean		
Time Period	OCT/SEP	Units:	1,000MT
Imports for:	2012		**2013**

U.S.	567	U.S.	620
Others		Others	
Brazil	386	Brazil	456
China	83	China	80
Paraguay	53	Paraguay	102
Canada	19	Canada	8
Total for Others	541		646
Others not Listed	4		5
Grand Total	1112		1271

Source: Korea Customs Service (KCS)

Korea: Soybean Imports for Oct.-Dec. by Origin (Unit: MT)					
Soybean for Crushing (HS1201.90.1000)					
MY2014/15	USA	Brazil	China	Others	Total
Oct. 2014	0	49,855	0	42,507[b/]	92,362
Nov	0	12,952	0	8,301[b/]	21,253
Dec	104,477	286	0	0	104,763
Subtotal	**104,477**	**63,093**	**0**	**50,808**	**218,374**
MY2013/14a/	99,891	54,502	0	43,438	197,831
Soybean for Sprouting (HS1201.90.3000)					
MY2014/15	USA	Brazil	China	Others	Total
Oct. 2014	0	0	80	0	80
Nov	0	0	880	0	880
Dec	20	0	8,580	0	8,600
Subtotal	**20**	**0**	**9,540**	**0**	**9,560**
MY2013/14a/	0	0	7,902	500	8,402
Soybean for Food Processing (HS1201.90.9000)					
MY2014/15	USA	Brazil	China	Others	Total
Oct. 2014	0	1,000	405	0	1,405
Nov	1,378	0	840	0	2,218
Dec	4,890	0	656	1,459[c/]	7,005
Subtotal	**6,268**	**1,000**	**1,901**	**1,459**	**10,628**
MY2013/14a/	23,096	80	11,495	5,578	40,248
Soybeans Total					
MY2014/15	USA	Brazil	China	Others	Total
Oct. 2014	0	50,855	485	42,507	93,847
Nov	1,378	12,952	1,720	8,301	24,351
Dec	109,387	286	9,236	1,456	120,368
Subtotal	**110,765**	**64,093**	**11,441**	**52,267**	**238,566**
MY2013/14a/	122,987	54,582	19,397	46,416	246,481

Source: Korea Customs Service (KCS)
a/ October – December 2013
b/ Paraguay

c/ Canada (1,346), Australia (23) and Russia (90)

Korea: Oilseed Imports (Metric Tons, $1,000)				
	MY 2012/13		MY 2013/14	
	Volume	Value	Volume	Value
Soybean	1,111,545	759,431	1,270,962	824,725
Peanuts	963	1,642	551	788
Copra	1,303	1,416	798	947
Linseed	1,010	1,142	1,319	1,388
Rapeseed	61,945	44,245	37	123
Sunflower Seed	2,851	5,308	3,566	6,465
Castor Bean	31	24	24	29
Sesame Seed	75,925	159,535	78,680	199,608
Mustard Seed	1,605	1,507	1,572	1,493
Safflower Seed	336	270	486	358
Perilla Seed	27,310	44,040	25,027	46,785
Others	3,030	3,011	3,198	4,302
Total	1,287,854	1,021,571	1,386,220	1,087,011

Source: Korea Customs Service

Korea: Applied Tariff Schedule for Oilseeds (Percent)				
Commodity	H.S. Code	2013	2014	2015
Soybean, Seed	1201.10.xxxx	3	3	3
Soybean, Crushing 1/	1201.90.1000	3(0)	3(0)	3(0)
Soybean, Feed 1/	1201.90.2000	3(0)	3(0)	3(0)
Soybean, Sprouting 2/	1201.90.3000	3(5)	3(5)	3(5)
Soybean, Food Grade 2/	1201.90.9000	3(5)	3(5)	3(5)
Peanuts, Seed, in shell	1202.30.1000	40	40	40
Peanuts, Seed, shelled	1202.30.1000	24	24	24
Peanuts, in Shell 3/	1202.41.0000	40	40	40
Peanuts, Shelled 3/	1202.42.0000	24	24	24
Copra	1203.00.0000	3	3	3
Linseed	1204.00.0000	3	3	3
Rapeseed	1205.xx.xxxx	10 (5)	10 (5)	10
Sunflower Seed	1206.00.0000	25	25	25
Cottonseed 4/	1207.29.1000	2 (0)	2 (0)	2 (0)
Sesame Seed 5/	1207.40.0000	40	40	40
Mustard Seed	1207.50.0000	3	3	3
Perilla Seed 6/	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 1.1 million tons of soybeans imported for crushing and feed purposes for CY 2015.
2/ An applied duty rate of 5 percent is applied to 270,000 tons of food grade soybeans imported and administered by the Korea Agro-Fishery & Food Trade Corporation (aT) under the WTO TRQ. Soybeans imported out-of-quota by private importers will be assessed a tariff rate of 487 percent or Korean won 956/Kg, whichever is greater.
3/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.
4/The number in parenthesis is the in-quota tariff rate assessed on 160,000 tons of cotton seed for feed in the CY 2015.
5/The in-quota amount under the WTO TRQ is 6,731 tons. Sesame imported out-of-quota is assessed a tariff of 630 percent or Korean won 6,660/Kg, whichever is greater.

6/ 40 percent or Korean won 410/Kg, whichever is greater.

Commodities:

Meal, Soybean

Meal, Rapeseed

Production:

Almost all of the vegetable meal produced in Korea is made from imported soybeans. As CJ Corporation has decided to return to soybean crushing from rapeseed crushing since the second half of 2013, soybean meal production in MY 2013/14 increased to 711,087 MT (79.2% applicable extraction rate basis), up 11% from the previous year.

There are only two soybean crushers in Korea, namely CJ Corporation and Sajo O&F Co Ltd with a crushing ratio of 66:34 percent. CJ Corp. built up its capacity to 2,100 MT per day, up 11 percent from the previous year while Sajo O&F also increased 18 percent to 1,100 MT per day from the previous year, respectively.

MY 2015/16 demand for crushing soybeans will remain flat at 900,000 MT as crushing margins remain steady. Soybean demand for crushing is steady, but still below the country's 1.0 million MT crushing capacity. Soybean meal production for MY 2015/16 is forecast to hold steady at 713,000 MT with an extraction rate of 79.2 percent and crude protein content of 44 percent, remaining unchanged from the current marketing year.

MY 2014/15 soybean meal production is expected to stay around at 713,000 MT, a similar level compared to the previous year due to continuing better soybean crushing margin than rapeseed.

In an effort to strengthen their competitiveness against imported meal from South America, these companies have started producing de-hulled Hi-pro soybean meal with 47.0 percent protein content by blending U.S. and Brazilian soybeans. In CY 2014, production of de-hulled Hi-pro soybean meal with 47 percent protein was up, accounting for 43 percent of total soy meal production, from the previous 38 percent. Local crushers continue to expand de-hulled hi-pro production.

The breakdown of production by company and product follows. In CY 2014, CJ produced 47 percent protein dehulled meal and 45% protein meal in a ratio of 67:33, increasing the production of 47 percent protein meal from the previous 62:38 ratio. However, Sajo produced 46 percent and 45 percent protein meal at a ratio of 27:73, decreasing the production of 46 percent protein meal in view of the previous 30:70 ratio.

Korea: Soybean Crushing Capacity

(As of February 2015)

Soybean Crusher	Capacity (mt/day)	Location
CJ Corp	2,100 [a/]	Incheon
Sajo O&F	1,100	Incheon
Total	3,200	

Source: Soybean Crushing Industry

Note: Day=24 hours processing basis for 330 days

a/ of them, 700 MT have been converted to crush for either rapeseed or soybeans depending on crushing margin since December 2012.

Consumption:

Nearly all imported and domestically produced soybean meal is used in compound feed production. Korean feed millers prefer soybean meal since it is more readily available than other oil meals. In MY 2013/14, after corn, soybean meal was the second most widely used ingredient in compound feed production, accounting for about 11 percent of the total compound feed production, up 0.5 percent point to make up for the decrease of feed wheat use as a protein resource. In MY 2013/14, feed wheat use sharply declined to 8.7 percent of total compound feed production from the previous year's 14.4 percent.

MY2014/15 soybean meal consumption is predicted to stay at 2.2 million MT as the livestock sector continues to maintain high animal inventories for the marketing year because pork and beef prices rebounded from the bottom by adjusting excessive inventory numbers in MY 2012/13. However, ongoing outbreaks of HPAI and FMD may adjust the level of compound feed production later. Please refer to GAIN reports of FMD and AI for more details.
MY 2015/16 soybean meal consumption is forecast to remain at 2.2 million MT, unchanged from the current marketing year as local animal inventories are expected to maintain similar levels as MY 2014/15.

Rapeseed meal consumption for feed in MY 2015/16 is forecast to stay around 500,000 MT. MY2014/15 consumption is expected to decline five percent to 500,000 MT from the previous year as animal inventories are affected by current ongoing epidemic diseases coupled with beef cattle numbers declining until CY2017. In MY 2013/14, feed millers consumed 530,000 MT, up 29 percent from the previous year, due to a greater demand of vegetable protein for compound feed production.

Trade:

Import

Soybean meal imports during MY 2015/16 are forecast to remain at 1.7 million MT, up 3 percent from the current marketing year as the Korean livestock industries are expected to maintain stagnant levels of animal inventories. The first three months of this year’s soybean meal imports decreased 7 percent over the same period of MY 2013/14, while the total MY 2014/15 soybean meal import estimate is expected to be around 1.65million MT, about 9 percent down over the previous marketing year. In MY 2013/14, greater imports of soybean meal over actual consumption left ending stock levels higher than normal.

Rapeseed meal imports during MY 2015/16 are forecast at 520,000 MT, up 4 percent from the current marketing year due to continued strong consumption for feed production. In MY 2014/15, rapeseed meal imports are expected to decrease slightly due to higher beginning stock caused by greater import of rapeseed meal in MY 2013/14. Korean feed millers imported 555.306 MT of rapeseed meal in MY 2013/14, up 32 percent over the previous marketing year because of bearish trend in import price coupled with CJ quitting rapeseed processing in the second half of 2013. India supplies nearly 100 percent of rapeseed meal to Korea, expecting to remain the top supplier for the foreseeable future. Palm kernel meal and copra meal imports are each forecast between 600,000-800,000 MT in both MY 2014 and MY 2015, respectively. DDGS imports are also forecast to be strong to meet a greater demand for vegetable protein from feed sectors if feed wheat supply is limited.

The CY 2015 autonomous soybean meal TRQ was initially set at 2 million MT with a zero percent in-quota import duty, unchanged from the previous year. The CY2015 TRQ for DDGS is set at 400,000MT, down 20 percent from last year due to a zero percent in-quota import duty. In order to help the livestock industry, which has suffered inflated prices of imported raw materials, the Korean government has maintained the autonomous zero duty TRQs for other vegetable protein meals such as cottonseed meal and cottonseed hulls. TRQ volumes for copra meal and palm were eliminated due to zero duty implementation under the Korean-ASEAN FTA.

Under the Korean-ASEAN FTA, copra and palm kernel meals are imported duty free from South East Asian countries such as Indonesia, Malaysia and the Philippines. Indian soybean meal is imported duty free under the Korea-India Comprehensive Economic Partnership Agreement (CEPA). As part of the KORUS FTA, Korea eliminated import duties on vegetable protein meals such as soybean meal (2304.00.0000), DDGS (2303.30.0000), and cottonseed meal (2306.10.0000) since March 15, 2012.

Export

Korea exports some locally crushed soybean meal that is less competitive than imported meal. Soybean meal exports for MY 2014/15 are forecast to remain unchanged from the current marketing year’s estimate of 180,000 MT. The major markets for Korean soybean meal are Japan, Indonesia, Malaysia, Vietnam and Cambodia.

Korea: Soybean Meal Exports (Metric Ton)			
Country	MY 11/12	MY 12/13	MY 13/14
Japan	11,954	93,906	159,836
Malaysia	6,172	160	340

Indonesia	12,172	11,442	13,200
Vietnam	7,842	1,759	3,040
Cambodia	168	816	2,160
Philippine	0	6,620	180
Others	180	300	565
Total	38,488	114,704	179,321

Source: Korea Customs Service

Production, Supply and Demand Data Statistics:

Soybean Meal PS&D

Meal, Soybean	2013/2014		2014/2015		2015/2016	
Market Begin Year	Oct 2013		Oct 2014		Oct 2015	
Korea, South	USDA Official	New post	USDA Official	New post	USDA Official	New post
Crush	1,000	898	950	900	0	900
Extr. Rate, 999.9999	1	1	1	1	0	1
Beginning Stocks	43	43	100	164	0	127
Production	795	711	755	713	0	713
MY Imports	1,826	1,809	1,880	1,650	0	1,700
MY Imp. from U.S.	190	189	200	50	0	200
MY Imp. from EU	0	0	0	0	0	0
Total Supply	2,664	2,563	2,735	2,527	0	2,540
MY Exports	179	179	150	180	0	180
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	25	20	25	20	0	20
Feed Waste Dom. Cons.	2,360	2,200	2,425	2,200	0	2,200
Total Dom. Cons.	2,385	2,220	2,450	2,220	0	2,220
Ending Stocks	100	164	135	127	0	140
Total Distribution	2,664	2,563	2,735	2,527	0	2,540
1000 MT, PERCENT						

Soybean Meal Import Trade Matrix

Import Trade Matrix			
Country	Korea, Republic of		
Commodity	Meal, Soybean		
Time Period	OCT/SEP	Units:	1,000MT
Imports for:	2012		**2013**
U.S.	157	U.S.	189
Others		Others	
Brazil	805	Brazil	928
India	204	India	184
Argentina	243	Argentina	114
China	222	China	390
Total for Others	1474		1616
Others not Listed	2		4
Grand Total	1633		1809

Source: Korea Customs Service (KCS)

Rapeseed Meal PS&D

Meal, Rapeseed	2013/2014		2014/2015		2015/2016	
Market Begin Year	Oct 2013		Oct 2014		Oct 2015	
Korea, South	USDA Official	New post	USDA Official	New post	USDA Official	New post
Crush	0	0	51	0	0	0
Extr. Rate, 999.9999	0	0	1	0	0	0
Beginning Stocks	50	50	45	55	0	35
Production	0	0	29	0	0	0
MY Imports	555	555	525	500	0	520
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	605	605	599	555	0	555
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	50	20	50	20	0	20
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	510	530	500	500	0	500
Total Dom. Cons.	560	550	550	520	0	520
Ending Stocks	45	55	49	35	0	35
Total Distribution	605	605	599	555	0	555
1000 MT, PERCENT						

Rapeseed Meal Import Trade Matrix

Import Trade Matrix			
Country	Korea, Republic of		
Commodity	Meal, Rapeseed		
Time Period	OCT/SEP	Units:	1,000MT
Imports for:	2012		**2013**
U.S.	0	U.S.	0
Others		Others	
India	397	India	550
Canada	24	China	5
Total for Others	421		555
Others not Listed	0		0
Grand Total	421		555

Source: Korea Customs Service (KCS)

Korea: Soybean Meal Production[1/] (Metric Ton)			
Month	MY 12/13	MY 13/14	MY 14/15
October	43,447	55,082	55,781
November	52,621	44,474	52,160
December	51,339	50,662	54,178

January	48,482	63,030	Na
February	45,706	52,366	Na
March	62,810	64,791	Na
April	58,172	54,505	Na
May	54,293	50,146	Na
June	47,585	59,672	Na
July	38,082	53,069	Na
August	51,360	59,180	Na
September	47,227	53,580	Na
Total	601,125	660,557	Na
Extraction Rate	74.43%	73.59%	Na

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

Korea: Feed Ingredients Use for Animal (October/September Basis)				
Items	MY 2012/2013		MY 2013/2014	
	1,000 MT	Percent	1,000 MT	Percent
Total Grains and Grain Substitution	**12,185**	**64.5**	**12,080**	**64.1**
- Wheat	2,710	14.4	1,633	8.7
- Corn	6,483	34.3	7,762	41.2
- Others	2,992	15.8	2,685	14.3
Total Vegetable Protein	**4,623**	**24.5**	**4,674**	**24.8**
- Soybean Meal 1/	1,986	10.5	2,079	11.0
- Rapeseed Meal	412	2.2	530	2.8
- Cottonseed Meal	7	0.0	1	0.0
- Palm Kernel Meal	782	4.1	760	4.0
-Copra Meal	602	3.2	399	2.1
-Sesame Meal	23	0.1	23	0.1
-Perilla seed Meal	3	0.0	3	0.0
-Corn Gluten Meal	83	0.4	81	0.4
DDGS	457	2.4	536	2.8
- Others	268	1.4	262	1.4
Total Animal Protein	**182**	**1.0**	**186**	**1.0**
- Fish meal	22	0.1	18	0.1
-Meat & Bone Meal	20	0.1	22	0.1
-Others	140	0.7	146	0.8
Total Others	**1,893**	**10.0**	**1,898**	**10.1**
TOTAL COMPOUND FEED	**18,883**	**100.0**	**18,838**	**100.0**

Source: Korea Feed Association
1/ include dehullled soybean meal

Korea: Imports of Major Protein Meals (October/September)				
	MY 2012/2013		MY 2013/014	
	Volume(MT)	Value(1,000$)	Volume(MT)	Value(1,000$)
Soybean Meal	1,633,348	886,912	1,809,231	993,679
Rapeseed Meal	421,044	142,305	555,307	153,524
Fish Meal	36,711	65,223	49,440	81,780
Bone Meal	208	326	255	333

Cottonseed Meal	22,841	9,705	18,296	8,765
Sunflower Seed Meal	802	334	1,177	500
Copra Meal	604,925	135,666	410,146	107,136
Palm Kernel Meal	817,996	148,975	839,145	159,060
Corn Germ Meal	29,304	8,864	20,170	6,189
Others	355,664	47,848	516,931	65,856
Total	**3,922,843**	**1,446,161**	**4,220,098**	**1,576,822**
DDGS	467,309	162,913	610,372	195,429

Source: Korean Customs Service (KCS)

Korea: Soybean Meal Imports for Oct.-Dec. by Origin (Unit: MT)							
MY 2014/15	USA	Brazil	Argentina	India	China	Others	Total
Oct. 2014	0	158,424	0	2,056	10,389	0	170,870
Nov	0	95,408	0	1,598	1,164	0	98,166
Dec	414	130,886	0	3,565	4,516	0	139,381
Subtotal	**414**	**384,718**	**0**	**7,219**	**16,069**	**0**	**408,417**
MY 2013/14 a/	259	317,910	55,039	49,568	11,447	3,838	438,060

Source: Korea Customs Service (KCS)
a/ October – December 2013

Korea: Soybean Meal Contracts under MY 2013/14 Arrival by Origin (Unit: 1,000 MT, as of January 2015)					
Estimated Time of Arrival	USA	SOAM	India	Optional 1/	Total
Oct. 2014	0	64	0	0	64
Nov	0	163	0	0	163
Dec	0	54	0	60	114
Jan. 2015	0	0	0	55	55
Feb	0	55	0	0	55
Mar	0	158	0	55	213
Apr	0	53	0	0	53
May	0	95	0	55	150
Jun	0	110	0	0	110
Jul	0	115	0	110	225
Total	0	**867**	0	**335**	**1,202**

Source: Local Traders
1/ optional origin among USA, SOAM or China

Korea: Compound Feed Production (October/September, 1,000 mt)			
Animal Type	MY 2012/13	MY 2013/14	MY 2014/15a/
Poultry	4,726	5,107	5,000
Swine	6,100	6,015	6,000
Cattle	6,572	6,388	6,100
Others b/	1,483	1,314	1,400
Sub. Total	**18,881**	**18,824**	**18,500**
Aquaculture	96	107	100
Milk Substitute	43	39	50

Grand Total	19,020	18,970	18,650

Source: Korea Feed Association (KFA), Ministry for Agriculture, Food, and Rural Affairs (MAFRA)
a/ FAS/ Seoul forecast
b/ include ducks, pet food, rabbit, horse, sheep, deer, quail etc.

Korea: Applied Tariff Schedule for Oil Cake and Meals (Percent)				
Commodity	H.S. Code	2013	2014	2015
DDGS [a/]	2303.30.0000	3 (0)	3 (0)	3 (0)
Soybean Meal [b/]	2304.00.0000	1.8 (0)	1.8 (0)	1.8 (0)
Peanut Meal	2305.00.0000	5	5	5
Cottonseed Meal [c/]	2306.10.0000	2 (0)	2 (0)	2 (0)
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	2306.50.0000	2 (0)	2 (0)	2
Palm Kernel Meal	2306.60.0000	2 (0)	2 (0)	2
Cottonseed Hull for feed [d/]	2308.00.3000	5 (0)	5 (0)	5 (0)

Source: Korea Customs Service
The figures in parentheses are the autonomous quota tariff rates for CY 2015.
a/ The applied duty is assessed on the first 400,000 tons of residues of brewing or distilling dregs and waste.
b/ The applied duty is assessed on the first 2 million tons of soybean meal.
c/ The applied duty is assessed on the first 70,000 tons of cottonseed meal for feed and 15,000 tons for mushroom growing.
d/ The applied duty is assessed on the first 100,000 tons of cottonseed hull for feed and 15,000 tons for mushroom growing.

Commodities:

Oil, Soybean

Oil, Palm

Production:

As CJ Corporation, a leading Korean soybean crusher, returned to soybean crushing from canola seed crushing in the second half of 2013 due to narrow canola processing margin, MY 2013/14 soybean oil production reached 173,100 MT, up 10 percent over the previous marketing year. MY 2014/15 soybean oil production is expected to remain unchanged from the previous marketing year unless crushing margins between soybeans and rapeseed are overturned in its flexible crushing facilities. MY2015/16 soybean oil production is forecast to follow the current marketing year.

Consumption:

Soybean oil and palm oil account for 73 percent of the country’s total oils supply in MY 2013/14. The majority of soybean oil is consumed in the HRI sector and home, and more recently in the biodiesel sector. Food processors and restaurants rely heavily on imported soybean oil while locally processed soybean oil is generally for home use. Palm oil is primarily used for food processing, especially ramen (instant noodle) production, since it is more functional and cheaper than soybean oil. Palm oil has been increasingly used in local biodiesel production.

Soybean oil consumption in MY 2015/16 is forecast at 460,000 MT, slightly increasing from the current marketing year’s estimate because of stagnant demand for bio-diesel production as it is less cost effective than palm oil. Meanwhile, palm oil consumption during this period is forecast at 450,000 MT, up 5 percent from the current marketing year because of rising demand from the bio-diesel sector.

Trade:

The biodiesel sector has been the main driver behind rising edible oil imports since MY 2007/08. MY 2015/16 soybean oil imports are forecast at 300,000 MT, remaining unchanged from the current marketing year's estimate due to anticipation of a limited demand for biodiesel caused by less price competitiveness compared to palm oil. In MY 2014/15, soybean oil imports are stagnant at 300,000 MT, slightly increasing from the previous year. Soybean oil imported from South America, particularly Argentina, is much more price competitive than domestically produced soybean oil made from imported soybeans.

In MY 2015/16, palm oil imports are forecast to increase 3 percent to 450,000 MT mainly due to rising demand from the biodiesel industry as Korean government plans to implement revised regulations to raise mandatory rate to 2.5 percent from current 2 percent in the second half of 2016. Palm oil imports for biodiesel are expected to reach 230,000 MT, up 15 percent from the current marketing year estimate as it's more competitively priced than other oil-based feed stocks. Palm oil imports for use in the local soap industry are expected to remain steady at 20,000 MT. In MY 2014/15, palm oil imports are expected to increase to 420,000 MT to meet greater demand for biodiesel purpose than the previous year.

Palm oil has been imported duty free under Korea-ASEAN FTA since June 2007.

Under the KORUS FTA effective since March 15, 2012, Korea's 5.4 percent duty on imports of crude soybean oil is scheduled to be phased out in 10 equal annual reductions, while the 5.4 percent on refined soybean oil will be phased out in five equal annual reductions. Korea also eliminated the import duty on palm oil immediately under the KORUS FTA.

Production, Supply and Demand Data Statistics:

Soybean Oil PS&D

Oil, Soybean	2013/2014		2014/2015		2015/2016	
Market Begin Year	Oct 2013		Oct 2014		Oct 2015	
Korea, South	USDA Official	New post	USDA Official	New post	USDA Official	New post
Crush	1,000	898	950	900	0	900
Extr. Rate, 999.9999					0	
Beginning Stocks	27	27	17	32	0	35
Production	178	173	152	173	0	173
MY Imports	278	278	350	300	0	300
MY Imp. from U.S.	0	0	35	50	0	50
MY Imp. from EU	0	0	0	0	0	0
Total Supply	483	478	519	505	0	508
MY Exports	6	6	15	20	0	20
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	90	40	95	40	0	40
Food Use Dom. Cons.	370	400	385	410	0	420
Feed Waste Dom. Cons.	0	0	0	0	0	0
-	0	0	0	0	0	0
Total Dom. Cons.	460	440	480	450	0	460
Ending Stocks	17	32	24	35	0	28
Total Distribution	483	478	519	505	0	508
1000 MT, PERCENT						

Soybean Oil Import Trade Matrix

Import Trade Matrix			
Country	Korea, Republic of		
Commodity	Oil, Soybean		
Time Period	OCT/SEP	Units:	1,000MT
Imports for:	2012		**2013**

U.S.	47	U.S.	0
Others		Others	
Argentina	202	Argentina	200
Brazil	0	Brazil	6
Vietnam	32	Vietnam	63
Thailand	13	Thailand	7
Total for Others	247		276
Others not Listed	6		2
Grand Total	300		278

Source: Korea Customs Service (KCS)

Palm Oil PS&D

Oil, Palm	**2013/2014**		**2014/2015**		**2015/2016**	
Market Begin Year	**Oct 2013**		**Oct 2014**		**Oct 2015**	
Korea, South	**USDA Official**	**New post**	**USDA Official**	**New post**	**USDA Official**	**New post**
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	36	36	44	44	0	44
Production	0	0	0	0	0	0
MY Imports	403	403	400	420	0	450
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	439	439	444	464	0	494
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	170	200	180	220	0	250
Food Use Dom. Cons.	225	195	220	200	0	200
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	395	395	400	420	0	450
Ending Stocks	44	44	44	44	0	44
Total Distribution	439	439	444	464	0	494
1000 HA, 1000 TREES, 1000 MT						

Palm Oil Import Trade Matrix

Import Trade Matrix			
Country	Korea, Republic of		
Commodity	Oil, Palm		
Time Period	OCT/SEP	Units:	1,000MT
Imports for:	2012		**2013**

U.S.	0	U.S.	0
Others		Others	
Malaysia	317	Malaysia	255
Indonesia	29	Indonesia	144
Total for Others	346		399
Others not Listed	1		4
Grand Total	347		403

Source: Korea Customs Service (KCS)

Korea: Domestic Production of Vegetable Oils[1/] (Metric Ton)			
Commodities	MY 2011/12	MY 2012/13	MY 2013/14
Soybean Oil	150,100	150,000	173,100
Corn Oil	45,609	41,132	45,558
Sesame Oil	19,626	21,404	22,988
Rice Bran Oil	10,000	10,000	10,000
Rapeseed Oil	513	26,937	436
Perilla Seed Oil	23,723	22,490	23,349
Total	249,571	271,963	275,431

Source: Foreign Agriculture Service, Seoul, Korea
1/ FAS/Seoul estimates

Korea: Soybean Oil Production (Metric Ton)			
Month	MY 12/13	MY 13/14	MY 14/15
October	12,000	14,300	15,000
November	12,600	11,500	14,000
December	14,000	13,300	14,500
January	13,200	16,000	Na
February	12,000	13,000	Na
March	15,300	17,000	Na
April	15,200	15,000	Na
May	14,500	13,500	Na
June	12,700	15,500	Na
July	10,300	13,800	Na
August	13,600	15,900	Na
September	11,900	14,300	Na
Total	157,300	173,100	Na
Extraction Rate	19.48%	19.28%	Na

Source: Korea Soybean Processing Association (KSPA)

Korea: Total Supply of Edible Oils (Metric Ton)			
Commodity	MY 2011/12	MY 2012/13	MY 2013/14
Soybean Oil	492,969	450,463	451,194
Palm Oil	308,093	346,614	402,553
Corn Oil	46,757	42,119	47,928
Rapeseed Oil	103,432	103,272	88,350
Coconut Oil	60,452	62,387	58,217
Olive Oil	10,557	9,728	14,536
Cottonseed Oil	8,830	3,037	506
Sesame Oil	20,361	21,864	23,465
Rice Bran Oil	24,796	21,282	23,912
Perilla Seed Oil	24,476	23,437	24,248
Fish Oil	14,610	9,923	10,085
Sunflower Oil	22,991	18,699	20,880
Total	1,138,324	1,112,825	1,165,874

Source: Foreign Agriculture Service, Seoul, Korea

Korea: Fats and Oils Imports (MT & US$1,000, Oct/Sep)				
Commodity	MY 2012/13		MY 2013/14	
	Volume	Value	Volume	Value
Palm Oil	346,614	292,333	402,553	340,786
Tallow	24,013	23,241	10,483	10,140
Lard	486	471	0	0
Coconut Oil	61,801	58,814	57,858	73,628
Cottonseed Oil	3,037	2,739	506	677
Fish Oil	8,923	20,436	9,085	19,420
Soy Oil	300,463	353,753	278,144	272,191
Corn Oil	987	1,072	2,370	2,341
Rapeseed Oil	76,355	99,762	87,914	90,445
Palm Kernel Oil	7,195	7,310	8,910	12,005
Rice Bran Oil	11,282	18,241	13,912	20,687
Castor Oil	6,659	10,595	7,318	11,356
Linseed Oil	6,048	9,710	6,354	8,814
Sunflower Oil	18,699	31,675	20,880	31,186
Safflower Oil	20	81	33	137
Olive Oil	9,728	39,799	14,536	56,799
Jojoba Oil	47	1,348	46	1,079
Peanut Oil	13	111	19	120
Sesame Oil	460	2,172	477	2,653
Perilla Oil	947	2,582	899	3,700
Camellia Oil	18	294	26	393
Babassu Oil	4	51	9	119
Other Oil	13,924	25,137	10,010	47,075
Total	897,723	1,001,727	932,342	1,005,751

Source: Korea Customs Service (KCS)

Korea: Soybean Oil Imports for Oct.-Dec. by Origin (Unit: MT)						
MY 2014/15	USA	Argentina	Brazil	Vietnam	Others	Total
Oct. 2014	78	18,654	0	6,981	242	25,955
Nov	19	11,901	783	2,827	105	15,635
Dec	13,121	10,294	0	1,499	147	25,061
Subtotal	**13,218**	**40,849**	**783**	**11,307**	**494**	**66,651**
MY2013/14 a/	17	78,536	0	0	657	79,210

Source: Korea Customs Service (KCS)
a/ October – December 2013

Korea: Applied Tariff Schedule For Fats And Oils (Percent)				
Commodity	H.S. Code	General Rate	2014	2015
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 for Food, Crude	1507.10.1000	5	5	5
Soybean Oil For Biodiesel, Crude	1507.10.2000	5	5	5
Soybean Oil for Other, Crude	1507.10.9000	5	5	5
Soybean Oil for Food, Refined	1507.90.1010	5	5	5
Soybean Oil For Biodiesel, Refined	1507.90.1020	5	5	5
Soybean Oil for Other, Refined	1507.90.1090	5	5	5
Soybean Oil, Other	1507.90.9000	5	8	8
Peanut Oil	1508.xx.xxxx	27	27	27
Olive Oil	1509.xx.xxxx	5	5	5
Palm Crude Oil	1511.10.0000	3	3	3
Palm Oil	1511.90.xxxx	2	2	2
Sunflower Oil	1512.1x.xxxx	5	5	5
Safflower Oil	1512.1x.xxxx	5	5	5
Cotton Seed Oil	1512.2x.xxxx	5	5	5
Coconut Oil	1513.1x.xxxx	3	3	3
Palm Kernel Oil	1513.2x.xxxx	8	8	8
Rapeseed Oil, Crude	1514.11.0000	5	5	5
Rapeseed Oil, Refined	1514.19.xxxx	5	5	5
Rapeseed Oil, Other, Crude	1514.91.1000	5	5	5
Linseed Oil	1515.1x.xxxx	5	5	5
Corn Oil	1515.2x.xxxx	5	5	5
Castor Oil	1515.30.xxxx	5	8	8
Tung Oil	1515.90.9040	8	8	8
Sesame Oil 1/	1515.50.0000	40	40	40
Perilla Seed Oil	1515.90.1000	36	36	36
Rice Bran Oil	1515.90.9010	5	5	5
Other, Crude	1515.90.9090	5	5	5

Source: Korea Customs Research Institute, Tariff Schedules for Korea
1/ In-Quota tariff rate under the WTO TRQ. Quota is 668 tons. The out-of-quota tariff rate is 630 percent or 12,060 Won/Kg, whichever is greater