



United States
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FACT SHEET

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U.S.–KOREA FREE TRADE AGREEMENT: OPPORTUNITIES FOR AGRICULTURE

Removing trade barriers between the United States and the Republic of Korea will create important new export opportunities for U.S. farmers, ranchers and processors.

- Korea is a major global market for agricultural products. In 2004, Korea imported \$10.6 billion in agricultural products to satisfy the demand from its 48 million increasingly affluent consumers.
- Despite its restrictive import policies for many commodities, in recent years, Korea has been among the top markets for U.S. exporters. In 2004, U.S. exporters shipped \$2.5 billion in agricultural products to Korea, supplying about one fourth of Korea's agricultural imports.
- Reflecting the diversity of Korea's import demands, the United States supplied a wide range of agricultural products in 2004, including corn (\$547 million), soybeans (\$284 million), wheat (\$231 million), processed foods including confectionary (\$216 million), cotton (\$157 million), fresh citrus (\$98 million), nuts (\$40 million) and fruit juices (\$25 million).
- In prior years, Korea was a major market for U.S. beef. U.S. exporters supplied nearly \$790 million in beef and beef offals in 2003. The recently announced initial import protocol is an important step toward re-opening Korea's market to U.S. beef.
- Korea maintains high import tariffs on many products. An FTA will give U.S. exporters expanded access by removing restrictions due to Korea's import policies as well as providing a competitive advantage over other suppliers.

Korea: List of Selective Commodities with High Import Duties (2004)

Product	Applied Tariff
Beef and offals	8% to 40%
Pork, pork cuts and offals	18% to 30%
Poultry meat	18% to 27%
Skim Milk Powder	176% over-quota tariff
Whey	49.5%
Cheeses	36%
Fresh Potatoes	30%
Tree Nuts	8% to 45%
Oranges	50%
Apples, Grapes, Pears, Cherries	45%
Fresh Tomatoes	45%
Popcorn	630% over-quota tariff
Feed corn	328% over-quota tariff
Potato Flakes and Flour	304% over-quota tariff
Soybeans	Greater of 487% or 956 won/kg over-quota tariff
Peanuts	230.5% over-quota tariff
Fruit Juices	30% to 54%
Confectionary	8% to 40%