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LIVESTOCK GENETICS - OPPORTUNITIES IN KOREA

There are number of opportunities in the Korean livestock industry for Canadian genetic material. These include - dairy, swine, elk and poultry. Dairy, swine and poultry have import quotas while elk can be freely imported. By signing the WTO, Korea is committed to allowing a certain number of animal imports under the Minimum Market Access formula.

1. Dairy Cattle (Breeding Stock) : HS Code No.0102

Dairy genetics in the form of live animals, semen and embryos can be imported in Korea.

a) Live Animal. The following table outlines the number of dairy cattle (quota) that can be imported into Korea over the next few years without duty. There is no duty on live animals, semen or embryos. In excess of the quota, anyone can import dairy cattle but these imports are subject to a tariff rate of over 90%. In other words, importers if they are willing to pay the high tariff (in 1996 it is 97%) they can freely import dairy cattle into Korea. Basically, the imports under quota are females/young heifers.

(Table A)

Year	Import Quota Tariff (Beyond quota)	(Unit: Head) (%)
1996	687	97
1997	782	96
1998	830	95
1999	877	94.1
2000	925	93.1
2001	972	92.1
2002	1,020	91.1
2003	1,067	90.1

After 2003, the Korean government is scheduled to set up the new import quotas after negotiation with WTO.

b) The Korean Ministry of Agriculture, Forestry and Fisheries has delegated its authority to allocate the quota and issue a recommendation to the Korea Animal Improvement Association (KAIA). Actual farmers/breeders can obtain an import quota and recommendation from the KAIA through a lottery system. Actual users can import dairy for breeding stock through their designated trading house.

c) Presently, the National Livestock Cooperatives Federation (NLCF) is the only importer of proven and young bull dairy cattle. NLCF have imported a few dairy bulls in an effort to improve the blood lines of the Korean dairy industry over the past several years. Most of dairy genetics are being imported are from Canada and the U.S.

2. Beef Genetics: HS code No.0102

Technically, beef genetics (embryos and live animals) can be imported on the recommendation of the National Livestock Cooperatives Federation according to the Korean Animal Health Regulations and the Korean Livestock Epidemic Protection Law. At the present time, beef semen can not be imported. Beef genetic material can only be imported for the breeding of purebred animals - not/not for cross breeding. These regulations were introduced in the 1980's to protect the Korean native (Hanwoo) breed of cattle.

Beef embryos can only be imported on the recommendation of the Minister of MAFF under the Korean Livestock Epidemic Protection Law. The MAFF Minister gives approval based on a request by the individual and/or company and a recommendation from National Livestock Cooperatives Federation (NLCF).

The word we get is that there has not been any request/demand for beef genetics for the past few year. It also seems that the approval by NLCF importing beef genetics by NLCF is never given. It seems like a circle - the importers do not request beef genetics as they feel their requests will not be approved. Therefore there is no demand!

3. Swine (Breeding Stock): HS Code No.0103

a) Again as with dairy, the MAFF has delegated its authority to allocate the quota and issue a recommendation to the KAIA. Actual farmers/breeders can obtain an import quota and recommendation from the KAIA through a lottery system. Farmers/breeders can import swine for breeding stock through their designated trading company. The tariff for in quota imports is zero (0) %.

(Table B)

Year	Import Quota Tariff (Beyond quota)	(Unit: Head) (%)
1996	1,192	22.6 (This was increased to 6,000)
1997	1,274	22 (during 1996 due to strong)
1998	1,357	21.4 (demand by Korean farmers)
1999	1,439	20.9

2000	1,603	20.3
2001	1,686	19.1
2002	1,768	18.6
2003	1,850	18

After 2003, the Korean government is scheduled to set up the new import quotas after negotiation with WTO.

b) Commercial pigs for slaughtering are not allowed in this formula.

c) The Korea Animal Improvement Association's address, phone and fax numbers are:

Korea Animal Improvement Association

Add: 1516-5 Socho-3-dong, Socho-ku, Seoul

Fax: 02-582-3475

Tel: 02-588-9301

Contact: Dr. Sul Dong-Seop, Chairman

4. Deer /Elk (Breeding or others): HS Code No.0106.50

Elk genetics can be freely imported. This includes live animals, semen and embryos. The tariff on the importation of elk genetics is 8%.

Canada has done well this market. Korea has imported 119 elk in 1993, 560 elk in 1994 and 374 in 1995 from Canada. The Korean elk industry is impressed with the quality of Canadian elk breeding stock.

5. Poultry/Chick (Breeding): HS Code No. 0105

a) The MAFF has delegated its authority to allocate the quota and issue a recommendation to KPA (Korea Poultry Association). Actual farmers/breeders can obtain an import quota and recommendation from the KPA through a lottery system. Users can import poultry for breeding stock through their designated trading company. The tariff within quota is zero (0)%.

(Table C)

Year	Import Quota Tariff (Beyond quota)	(Unit: Head) (%)
1996	461,000	9.9 (This was increased to 800,000)
1997	461,000	9.8 (during 1996 due to strong)

1998	461,000	9.7 (demand by Korean farmers)
1999	461,000	9.6
2000	461,000	9.5
2001	461,000	9.4
2002	461,000	9.3
2003	461,000	9.2

After 2003, the Korean government is scheduled to set up the new import quotas after negotiation with WTO.

b) Weight of breeding poultry (chick) is limited to less 185g or 185g up only (The two weights can not be mixed).

c) The Korea Poultry Association (KPA)'s phone and fax numbers are:

Korea Poultry Association (KPA)

Add: 1516-5 Socho-3-dong, Socho-ku, Seoul

Fax: 02-588-7655

Tel: 02-588-7651

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Questions?

If you have any questions , please do not hesitate to contact the Canadian Embassy in Korea:

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