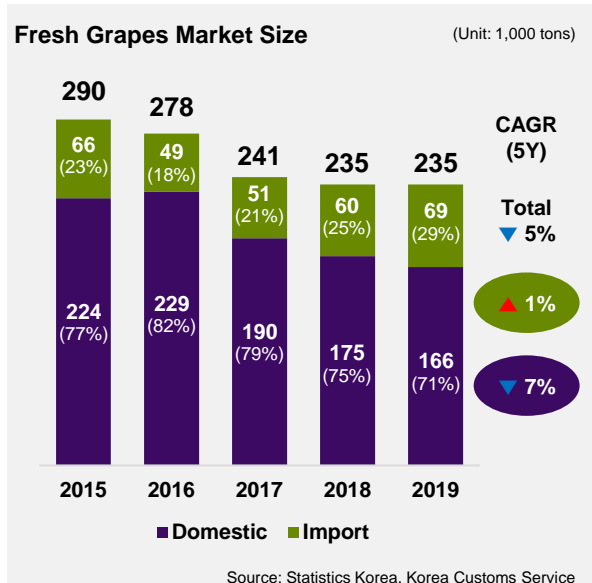


Korea Market Brief

Fresh Grapes

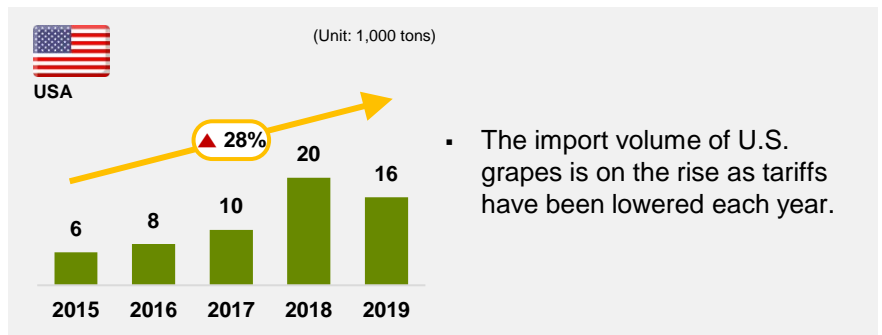
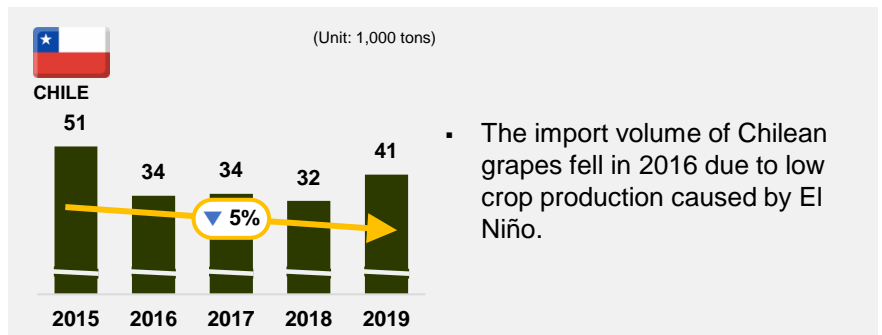
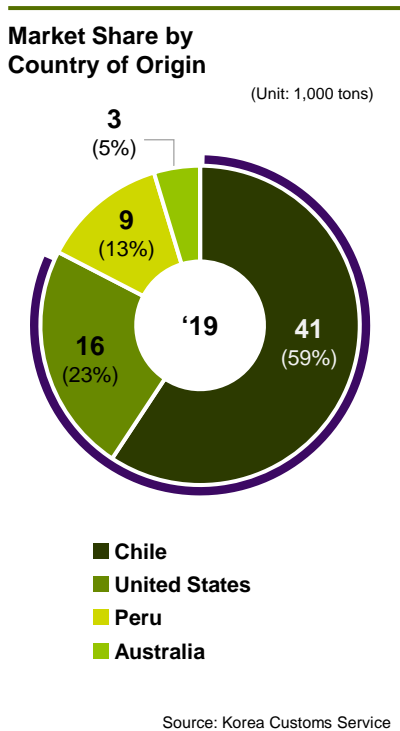


Domestic production of grapes is decreasing. Imports have continuously increased since the Korea-Chile Free Trade Agreement in 2004.



- An aging farm population and increasing grape imports have led to the continuous decrease in domestic grape production.
- In 2017, the Korean government subsidized farmers affected by the FTA, reducing the area for grape cultivation by 13%. However, after 2017, the increased popularity of Shine Musket, a domestic variety, has slowed the fall in domestic grape production.
- Despite government efforts to protect the domestic grape industry during the domestic grape season by imposing higher tariff, the share of imported grapes continues to rise.

Chile benefitted from having early FTA access and has the highest market share. However, U.S. market share is on the rise as Korea's off-season tariff was phased out in 2016.



* 'Import season' refers to the month in which the import volume exceeds 1,000 tonnes. Grapes are imported during other months as well.

Consumer Trends

Diversity in Grape Varieties

Because Korean consumers seek diversity in grape varieties, the fresh fruit market is pressured to introduce new varieties every season. Recently, new grape variety such as 'Shine Muscat' and other high-brix green grapes have been introduced to the fresh grapes market. In line with the trend of seeking new grape varieties, exporting countries like the United States, Peru, and Australia are continuously developing and introducing new products to the Korean fresh fruit market. Although the continuous introduction of new grape varieties benefits Korean consumers, it makes the Korean fresh grapes market very competitive.

Easy-to-eat Trend

Easy-to-eat fruits are gaining popularity due to the recent convenience trend. Likewise, Korean consumers prefer seedless grapes over the Concord variety, which explains the recent rise in preference for 'Shine Muscat' grapes. Easy-to-eat grapes are projected to remain popular in Korea's fresh grapes market as consumers have grown accustomed to their convenience.

Preference for Premium Grapes

Recently, Korean consumers have purchased more premium quality products despite their expensive prices. Shine Muscat, introduced in 2017, has become very trendy. Even though its price is high, the grape has a high repurchase rate and is the best-selling grape in Korea. According to a consumer panel survey conducted by 'Korea Rural Economic Institute', the repurchase rate of 'Shine Muscat' has increased from 28.1% in 2017 to 61.6% in 2019. The cultivation area for 'Shine Muscat' has increased by 35%, from 1,867ha in 2019 to 2,526ha in 2020. The price of these grapes has continued to rise as demand still exceeds supply. The overall grape market, once stagnant, is projected to continue growing due to strong consumer demand.

Regulatory Overview

****Disclaimer:** This overview is not a comprehensive guide, and regulations can frequently change. Exporters should verify requirements with their importers before goods are shipped.



Tariffs & Taxes

The seasonal tariff for U.S. grapes under KORUS FTA is shown in the table below. The tariff for U.S. grapes will become 0% in 2028. Please refer to the [Agricultural Tariff Tracker](#) for details.

Grape	HS code	2020	2021	2022	2023
• Grapes, Fresh	80610	10.5%	9.2%	7.9%	6.6%

Source: <https://apps.fas.usda.gov/agtariiftracker/Home/Search>

A Pre-Registration and Required Certification for Import to Korea

<p>Product Registration</p> <p>No product registration is required to import U.S. Grapes into Korea.</p>	<p>Facility Registration</p> <p>Either a foreign facility or an importer may apply for registration through the MFDS website.</p>	<p>Certificate of Origin</p> <p>The certificate of origin must be prepared for the origin verification. Documentation must be retained for five years.</p>	<p>Phytosanitary Certificate</p> <p>Fresh vegetables, grains, fruits, and nuts require a phytosanitary certificate issued by USDA/APHIS.</p>
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For details, please refer to [FAIRS Country Report](#), [FAIRS Export Certificate Report](#)

B Labeling Requirements

All imported U.S. products are required to carry legible Korean language labels. Label stickers or tags may be placed upon arrival in Korea, but should not be easily removed or cover the original label such as product name or expiration date.

<p>Korean Language Labeling</p> <ul style="list-style-type: none"> Agricultural products in a container or packages: the business name, the manufacture date, contents, storage condition or handling methods are only required to be indicated on the package. 	<p>Consideration for Labeling</p> <ul style="list-style-type: none"> Misleading claims such as Non-GMO for products that do not have GMO counterpart are not permitted.
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C Import Inspection

<p>Laboratory Test</p> <p>All new imported products undergo laboratory tests.</p>	<p>Field / Visual Inspection</p> <p>Subsequent shipments of the same product that passed the first lab test are subject to inspection.</p>	<p>Random Sampling Test</p> <p>Samples are selected randomly depending on violation history or market intelligence.</p>
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For details, please refer to [FAIRS Country Report](#), [FAIRS Export Certificate Report](#)

Regulatory Overview

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Korean Food Safety & MRLs

For Korean MRL standards, please refer to the following link.

[Pesticide MRLs](#)

Frequently Asked Questions

FAQ #1: Are products required to meet Korea's MRL standards?

Yes. Korea has a national MRL list that includes import tolerance MRLs. Prior to export, please check Korea's MRL list to make sure that products meet Korea's MRL standards. In the absence of an established MRL, Korea applies a 0.01ppm default tolerance.

FAQ #2: Are there any requirements on exporters when making a Certification of Origin?

Yes, if you are qualified for the FTA. Article 6.17.1 of KORUS FTA requires specific records to be kept for a minimum of five years if a certification from a producer or exporter forms the basis of a claim. We encourage you to look at these provisions. There are also obligations of exporters provided under Article 6.20. Questions about these provisions can be e-mailed to KORUS@ustr.eop.gov or at fta@dhs.gov.

FAQ #3: What are the roles and responsibilities of importers?

Korean importers are responsible for claiming preferential treatment for qualifying goods. However, the exporter or producer may be asked by the importer, customs broker, or the Korean Customs Service to provide a written or electronic certification or other information to support the importer's claim. The information required for certification can be found in Article 6.15.2 of the KORUS FTA, but additional elements may be required by the Korean Customs Service. You should contact your importer or customs broker to confirm what information is required.

USDA GAIN Report Link

[Facility Registration](#)
[MRL](#)
[Exporter Guide](#)

FAIRS Reports

[FAIRS Country Report](#)
[FAIRS Export Certificate Report](#)

ATO Seoul - Regulation

[ATO Seoul Regulation](#)

