

## Fresh Potatoes – South Korea

<b>Calendar Year</b> <i>(year activity is completed; if not completed, enter latest active year)</i>
2018
<b>Cooperator</b>
Potatoes USA
<b>Non-cooperator organization</b> <i>(if you are not a cooperator, but you use FAS programs like EMP, TASC, or GSM)</i>
n/a
<b>Organization type: private or public</b> <i>(public means government)</i>
Private
<b>FAS program(s) used/funding sources</b> <i>(e.g. MAP, MAP/GBI, EMP, etc)</i>
TASC
<b>Commodity</b> <i>(if applicable, include if product is fresh, dried, concentrate, etc, like Fresh Sweet Cherries)</i>
Fresh table-stock potatoes
<b>Country/region</b> <i>(to which you are exporting)</i>
South Korea
<b>HQ State</b> <i>(state where headquarters of cooperator or non-cooperator organization is located)</i>
Colorado
<b>Producing/exporting state(s)</b> <i>(attempt to determine exporting state; if number of states is greater than 5, enter top 5)</i>
Multiple. 31 states produce potatoes, however 90% of the US potato crop is grown in California, Colorado, Idaho, Maine, Michigan, Minnesota, North Dakota, Oregon, Washington and Wisconsin.
<b>Export dollars/projected sales</b> <i>(provide the dollar value/projected sales in the current program year and comparable data from previous program year)</i>
July 2017-December 2017 Fresh potato exports: \$7,187,780 July 2016-December 2016 Fresh potato exports: \$2,241,945 <i>Note: Data represents fresh potato exports for processing and table-stock consumption, although majority of usage at present time is for processing purposes.</i>
<b>Congressional district(s)</b> <i>(Example: CA-04; TX-11. Attempt to determine congressional districts of producing/exporting areas; enter n/a if unknown; if number of districts is greater than 5, enter top 5)</i>
Multiple
<b>Story type</b> <i>(focus of story: small company, cooperator, FAS/post, program, trade show)</i>
Cooperator: Market Access
<b>For branded, company name, if applicable</b>
n/a
<b>Success Story most recently updated on:</b>
New

## **TASC-Funded Research Helps Reopen South Korean Fresh Potato Market**

In December 2017, the government of South Korea reopened its market to table-stock imports from the U.S.' Pacific Northwest (PNW) states, after TASC-funded research resolved technical issues that had closed the market in July 2012. Potatoes USA administered the two research projects, which focused on zebra chip disease and spanned the years 2013-2018. The result is that beginning with the 2018 fresh crop, the states of Idaho, Oregon and Washington can now export U.S. table-stock potatoes to South Korea after being banned for the past five and a half years.

In August 2012, South Korea had closed its market for all fresh U.S. potatoes from the Pacific Northwest, due to the presence of zebra chip disease. After several months of negotiations, Korea agreed to reopen the market in October 2012 for U.S. chipping potatoes for processing only, with the agreement that shipments were required to be visually inspected for zebra chip. This agreement was formalized in 2014. Since the market closure, Potatoes USA has partnered with other members of the U.S. potato industry as well as USDA's Animal Plant Health Inspection Service (APHIS) to address Korea's concerns and renew market access to include table-stock potatoes from the Pacific Northwest.

A key aspect of this partnership was the administration of two research projects that focused on causal agents and vectors for zebra chip disease. The research utilized approximately \$1.3 million in funding from the USDA's Technical Assistance for Specialty Crops program, Potatoes USA industry contributions, and financial support from state potato organizations in Idaho, Oregon, and Washington. Coordinated by the Northwest Potato Research Consortium, researchers from state universities and USDA's Agriculture Research combined field sampling and lab research to broaden their understanding of this disease. The results of their work convinced Korean government officials to reopen table-stock imports for the 2018 crop. Korean officials will be visiting the U.S. potato industry during the 2018 growing season.

Potatoes USA has received numerous requests for U.S. table-stock potatoes from importers in Korea, and this success opens the way to meet that demand. In recent years, U.S. exports of fresh potatoes for chipping to Korea have grown, averaging about \$6 million annually during the past five years. During the current July-June fiscal year, fresh potato exports are already on target to reach record levels, with \$7.2 million in fresh potatoes (mostly chipping) shipped July-December 2017.

For 2018 and beyond, the reopening of the table-stock potato market is likely to add millions in new sales to the fresh potato export category. Even before the 2018 crop was planted, some Korean importers have been spurred on to buy fresh potatoes from the few states that were previously allowed to ship fresh table-stock potatoes to Korea. However, availability was limited due to the fact that these states are not among the major fresh potato producers. Most likely this buying interest represents importers' efforts to establish an importer history, which will help when they apply for import permits and tariff rate quota allocations for reduced duties granted by the KORUS Free Trade Agreement.