Yang-Korea-Beef-Safeguard-V3

SPEAKERS
Jihae Yang, John Herath

John Herath 00:00
South Korea's imports of Australian beef have already hit 90% of their safeguard volume, meaning tariffs on the Australian product will soon jump to 24% through the end of the year, according to U.S. Meat Export Federation Vice President for Asia Pacific Jihae Yang.

Jihae Yang 00:14
Australian beef has become more price competitive due to the tight U.S. beef supplies and importers moved early to secure frozen lean beef in anticipation of an early safeguard trigger. As of June 30, about 93% of the safeguard volume had been utilized, and the safeguard is expected to be triggered by mid July this year. In the past, the safeguard period after the trigger was relatively short, so importers generally continued without major adjustment. But this year the market may need to manage nearly half a year of chilled beef demand after the safeguard trigger.

John Herath 01:01
This provides a strong opportunity for U.S. chilled beef.

Jihae Yang 01:05
Now, nearly 90% of the 125,000 metric tons imported through May was frozen, so the greatest impact is expected to be on Australian chilled Wagyu and chilled grain fed beef product. As a result, U.S. beef is expected to gain the most opportunity in retail chains. The major retail chains and e-commerce channels have already begun securing U.S. chilled beef in preparation for large scale promotion after the Australian beef safeguard is triggered.

John Herath 01:43
Korea is seeing growing interest in prime beef cuts, but not the ones typically sought by U.S. consumers.

Jihae Yang 01:50
Mostly chuck eye roll, top blade, rib finger, boneless short ribs, so most of the Korean barbecue items are sold in prime.

John Herath 01:59
Starting this year, U.S. beef now has tariff-free access to South Korea. For more, please visit USMEF.org. For the U.S. Meat Export Federation, I'm John Herath.

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