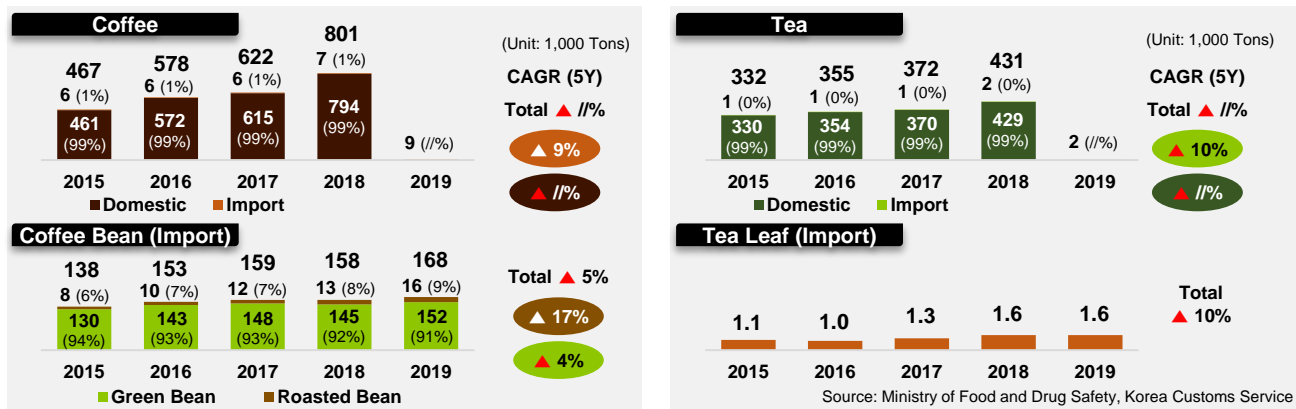


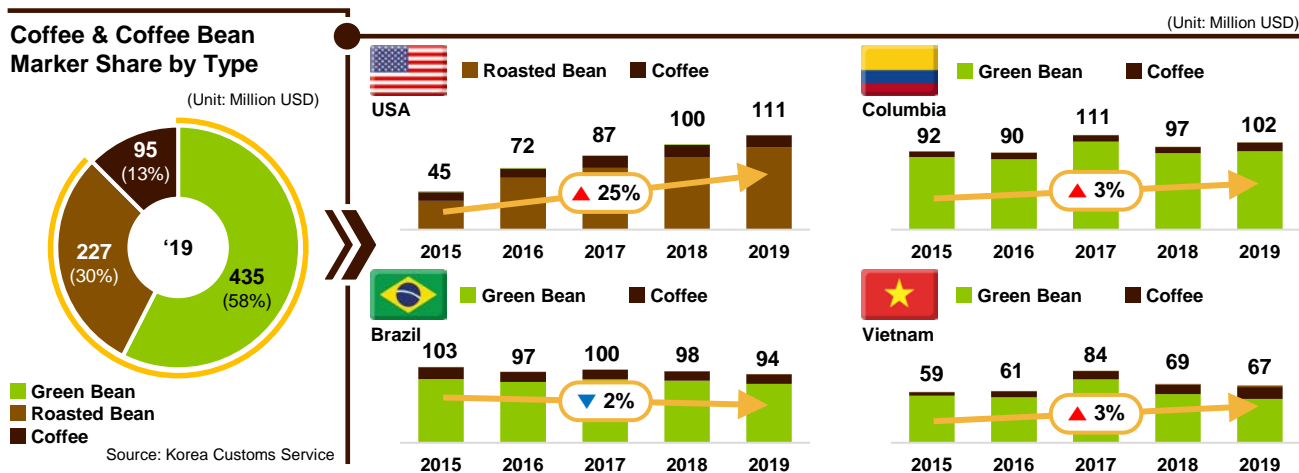
# Korea Market Brief

## Coffee and Tea

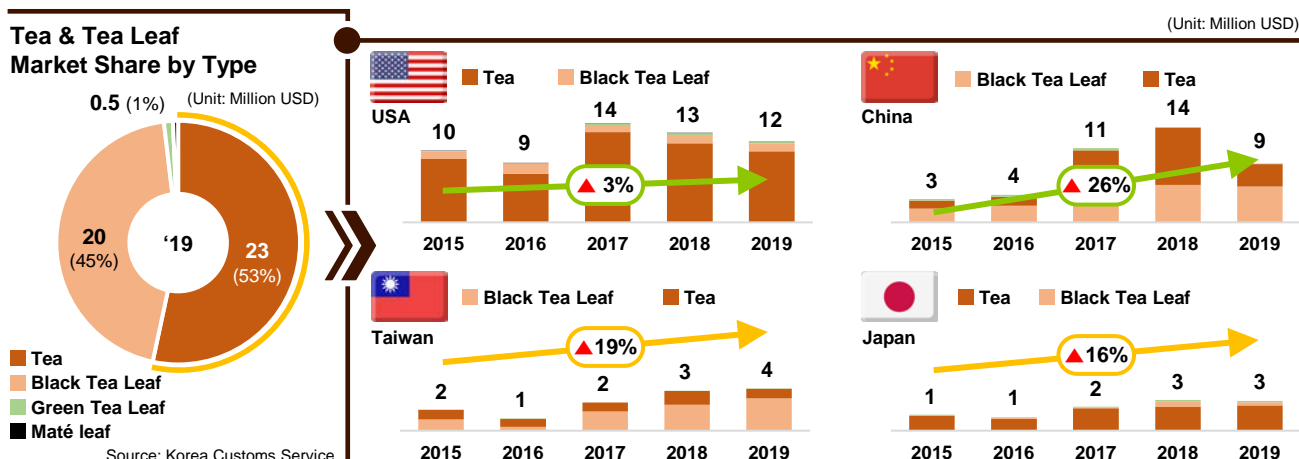
Coffee consumption in Korea is widespread and growing rapidly. Tea is also becoming more popular due to health-conscious consumers.



The United States supplies 15% of Korea's coffee and coffee bean imports. Major chains like Starbucks are the driver behind U.S. roast bean exports.



Korea's imported tea and tea leaf market was worth \$43.6 Million in 2019. The United States is the market leader with a 27% import market share.



# Consumer Trends

**Koreans consume on average 350 cups of coffee each year, not far behind the United States. A wide selection of tea products are also available in Korea.**

## Continued Demand for Coffee Beans

Coffee bean imports, including green beans and roasted beans, have been increasing on average by 5% a year since 2015. The growth is mainly due to a surge in the number of cafes. Korea had 16,000 cafes in 2018, up dramatically from 2,000 in 2007. However, growth is expected to slow as competition among large coffee chains is tough and operating costs have spiked due to a recent increase in the minimum wage. Rather than expanding the number of stores, companies are trying to differentiate their strategies by opening premium cafes or special themed cafes. The growth in imported coffee beans will slow down for a while as the market is saturated, but specialty coffee beans still have further growth potential.

## Health-conscious Consumers

Health-conscious consumption trends have influenced the coffee and tea market. There has been rapid growth in decaffeinated coffee bean imports. Decaffeinated coffee bean imports totaled 17,392 tons in 2019, growing at a compound annual growth rate of (CAGR) of 17% since 2014. This far exceeds the 5% CAGR for total coffee bean imports. Also, consumers who previously enjoyed instant coffee mixes have been reducing consumption as there is increased awareness of health risks related to high-sugar consumption. The trend is evident in the tea market as well. Consumers look for healthy and functional teas that promote weight loss, boost hydration or enhance the immune system.

## Rapid Growth in Ready to Drink Coffee

Ready-to-Drink (RTD) coffee products, available at supermarkets and convenience stores, are becoming more popular as they are convenient, high-quality and affordable. According to Nielsen Korea, the RTD coffee market in 2019 totaled \$1.2 billion, up 31% \$900 million in 2015. Korean consumers have experience with quality beans from drinking coffee at cafes. As consumers have developed a more sophisticated palate for coffee, the quality of RTD coffee has risen. Beverage manufacturers, food processors and retailers have been launching a wide range of high-quality products. Moreover, convenience stores have developed private label products at a low price by importing and blending premium specialty beans. RTD product sales will continue to increase due to competitive pricing and accessibility.

# 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 and Taxes

Korea applies import duties on U.S. coffee and tea as shown below table. Green tea will become duty free in 2026. Please refer to the [Agricultural Tariff Tracker](#) for details.

Coffee and Tea	HS code	2020	2021	2022	2023
<ul style="list-style-type: none"> <li>Coffee, Tea, Green Bean, Roasted Bean, Black Tea Leaf, Maté Leaf</li> </ul>	210111, 210112				
	090111, 090112				
	090121, 090122	0.0%	0.0%	0.0%	0.0%
	090230, 090240				
	090300				
<ul style="list-style-type: none"> <li>Green Tea Leaf</li> </ul>	090210, 090220	205.4%	171.2%	136.9%	102.7%

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

## A Pre-Registration and Required Certification for Import to Korea

<p><b>Product Registration</b></p> <p>No product registration is required to import U.S. coffee and tea into Korea.</p>	<p><b>Facility Registration</b></p> <p>Either a foreign facility or an importer may apply for registration through the MFDS website.</p>	<p><b>Certificate of Origin</b></p> <p>The certificate of origin must be prepared for origin verification. Documentation must be kept for five years.</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. Labels should not be easily removed or cover the original label such as product name or expiration date.

<p><b>Korean Language Labeling</b></p> <ul style="list-style-type: none"> <li>Product Name</li> <li>Product type</li> <li>Country of origin</li> <li>Ingredient names and content</li> <li>Manufacture date</li> </ul>	<p><b>Consideration for Labeling</b></p> <ul style="list-style-type: none"> <li>Additives</li> <li>Allergens</li> </ul>
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## C Import Inspection

<p><b>Laboratory Test</b></p> <p>All new imported products undergo laboratory testing.</p>	<p><b>Document Review</b></p> <p>Subsequent shipments of the same product undergo document reviews.</p>	<p><b>Random Sampling Test</b></p> <p>Samples are selected randomly depending on violation history or market intelligence.</p>
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### Korean Food Safety and Additive Standards and MRLs

For Korean food safety and additive standards, please refer to the following links.

[Food Additive Code](#)

[Food Ingredient Database](#)

[Pesticide MRLs](#)

### Frequently Asked Questions

#### **FAQ #1: Is labeling the 100% ingredient breakdown required for import?**

The Korean government does not require 100% ingredient composition breakdown information on the import application for imported processed food products entering Korea. What is required is the percentage breakdown of major ingredients and the percentages of food additives in the product in case Korea has tolerances established on the additives. For food additives used in composite ingredients, the supplier may need to submit detailed information to verify if the product meets the Korean food additive standards.

#### **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](mailto:KORUS@ustr.eop.gov) or at [fta@dhs.gov](mailto:fta@dhs.gov).

#### **FAQ #3: Are there any documents required for Halal, GMP, or vegan products?**

Yes. In order to apply a mark or claim to packaging, exporters and importers should keep supporting documents for their marketing claims. MFDS does not check supporting documents when products arrive in Korea but MFDS has a right to request supporting documents if necessary. Supporting documents should be issued by reliable and credible organizations.

#### **FAQ #4: 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](#)