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GAIN Report

Global Agricultural Information Network

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POLICY

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TRQs for Soybeans and Some Feed Ingredients Approved

Report Categories:

Trade Policy Monitoring

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Report Highlights:

The Thai Cabinet recently approved tariff-rate-quota (TRQ) schemes for imported soybeans from 2011-2013 and three feed ingredients (soybean meal, corn, and fishmeal) for 2011. It is apparent that these schemes are basically unchanged from those in 2010.

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The Thai Cabinet Approves Proposed Tariff-Rate-Quota (TRQ) for Imported Soybeans from 2011-2013

On November 25, 2010, the Thai Cabinet approved unlimited quota for soybeans imported from WTO member countries from 2011-2013 subject to zero tariff, as proposed by Committee on Oilseeds and Vegetable Oils. Out-of-quota imports are subject to 80 percent tariff rates.

The Thai Cabinet Approved Tariff-Rate-Quota (TRQ) for Soybean Meal, Corn, and Fishmeal for 2011

On November 16, 2010, the Thai Cabinet approved as follows:

Soybean Meal: The in-quota imports under WTO are unlimited with a two percent tariff rate as opposed to 119 percent for the out-of-quota imports. Only 8 trade associations will have access to the WTO import quota, but are responsible to purchase soybean meal derived from domestic soybean production from local soybean oil crushers at no less than 11.25 baht/kg (\$375/mt). In addition, the Cabinet also approved zero tariff rates for imports under the Thailand-ASEAN FTA (AFTA), Thailand-Australia FTA (TAFTA), Thailand-New Zealand FTA (TNFTA), and Japan-Thailand Economic Partnership Agreement (JTEPA). Under the ASEAN-Korea FTA (AKFTA), the import quota for soybean meal for 2011 is unlimited and in-quota imports are subject to 5.56 percent tariff rates. Any imports which do not fall in any category above are unlimited, but will be charged a tariff of 6 percent plus a special charge of 2,519 baht/mt (approx. \$76/mt).

Corn: The in-quota imports under WTO are limited to 54,700 metric tons, a level committed with WTO, with a 20 percent tariff rate as opposed to 73 percent tariff rate plus a surcharge of 180 baht/mt (approx. \$6/mt) for the out-of-quota imports. Only Public Warehouse Organization (PWO) can import under the quota and the import window is from March 1 to June 30, 2011. The Cabinet also approved zero tariff rates for imports under AFTA but the import window is from March 1-June 30, 2011. Tariff rates under TNFTA and JTEPA are zero. Under TAFTA, the import quota is limited to 7,330 metric tons with a 12 percent tariff, granted to PWO as the sole importer. The import window is from March 1 to June 30, 2011. Under AKFTA, all imports are subject to 11.11 percent tariff. Under ASEAN-Japan Comprehensive Economic Partnership (AJCEP), imports from January 1-March 31, 2011 are subject to 14.50 percent tariff, as compared to 12.70 percent for the imports from April 1-December 31, 2011. Any imports which do not fall in any category above are subject to a tariff of 2.75 baht/kilogram (\$92/mt) plus a special charge of 1,000 baht/mt (\$33/mt).

Fishmeal: There are no quotas for fishmeal. Imports under AFTA, TAFTA, TNFTA, ASEAN-China FTA (ACFTA), and ASEAN-Australia-New Zealand FTA (AANFTA) are subject to zero tariffs. Under JTEPA, imports from January 1-March 31, 2011 are subject to 3.33 percent tariff, as compared to 1.67 percent for the imports from April 1-December 31, 2011. Under AKFTA, the tariff rates are 10 percent. Any imports which do not fall in any category above (implying those imported under

Thailand's WTO commitment) are subject to a 15 percent tariff for fishmeal with at least 60 percent protein and 6 percent for the product with less than 60 percent protein.