

3-27-23-Borrer-Philippines-Tariff

SPEAKERS

John Herath, Erin Borrer

John Herath 00:00

With the Philippines conducting a comprehensive review of its import tariffs, the U.S. Meat Export Federation is using the opportunity to seek tariff relief for U.S. pork. Erin Borrer, USMEF VP of economic analysis has more details.

Erin Borrer 00:13

The Philippines were kind of ahead of other countries that reduced pork tariffs or meat tariffs in general as part of an overall inflation battle. The Philippines had their tariff reductions starting in 2021. And this was largely due to their pork shortage due to African swine fever. It added 200,000 metric tons to the 54,000 roughly metric ton quota, which allowed for imports at a reduced tariff rate of 15%. So essentially cutting that rate in half and an out of quota rate of 40%, reduced down to 25. In 2022, they went ahead and extended the tariff reductions, however, that quota volume was not increased. What this means is essentially most pork entering the Philippines is levied a 25% tariff. Again, that's reduced from 40. But it's still at the highest of any of the major importing countries. African swine fever is also still spreading in the Philippines. So there should be clear incentive for the Philippine government to extend tariff reductions for a longer period of time.

John Herath 01:17

USMEF emphasized that lower tariffs bolster pork demand, and that's good for both the domestic and global pork industries.

Erin Borrer 01:24

In our comments we used the Korea example where pork consumption has grown through larger imports and larger domestic production helped by free trade agreements. Since implementation in 2012. Korea's tariffs on imported pork have been phased to zero. At the same time, Korea's pork production has grown by roughly 30% to a record level and consumption has grown by 35% to a record level. That has been a great example to use on the benefits of free trade to everyone - domestic producers, consumers and the exporters.

John Herath 02:01

For more, please visit [USMEF.org](https://usmef.org). For the U.S. Meat Export Federation, I'm John Herath.