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Report Highlights:
Korea is the fifth largest market for U.S. agricultural products. Total Imports of agricultural products were $13.4 billion in 2003 and are projected to reach $14.4 billion in 2004. Total imports of agricultural products from the U.S. will be about $3.5 billion in 2004.

This report serves as a general guide to prospective U.S. agricultural exporters seeking to enter the Korean market. It provides a market overview, tips on how to do business in Korea, and information on the market structure and trends.

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SECTION I. MARKET OVERVIEW

The Korean gross domestic product (GDP) grew only 3.1 percent in 2003, significantly down from 7 percent in 2002 mainly due to record-low domestic consumption. However, the Bank of Korea's current estimate for 2004 GDP growth is 5.2 percent thanks to strong exports of Korean goods, currently the main engine of economic growth in spite of prolonged economic slump and low domestic spending. Per capita gross Domestic Product reached $12,628 in 2003, up from $11,479 in 2002.

Korea imports about 70 percent of its agricultural product needs. About the size of Indiana, the 2004 population of Korea is estimated at 48 million. Of the total population, about 47 percent are concentrated in the metropolitan Seoul area (Seoul, Inchon and Kyunggi Province).

Korea is the fifth largest market for U.S. agricultural products. Total Imports of agricultural products were $13.4 billion in 2003 and are projected to reach $14.4 billion in 2004. The total imports of agricultural products from the U.S. will be about $3.5 billion in 2004, about the same as the previous year thanks to the big increase in some products including corn.

Table 1. Agricultural Imports by Sector
(Millions of U.S. Dollars, Based on CIF Value)

Category	2002		2003		2004 (f)	
	World	U.S.	World	U.S.	World	U.S.
Consumer	3,474	1,346	3,779	1,579	3,416	889
Intermediate	3,142	842	3,063	823	3,527	741
Bulk	2,749	772	3,011	839	3,592	1,584
Fish & Seafood	1,820	165	1,900	144	2,005	123
Forest Products	1,718	147	1,668	143	1,838	169
TOTAL	12,903	3,272	13,421	3,528	14,378	3,506

Note: (f) is a forecast based on January-July data.
Source: Korea Trade Information Service (KOTIS), compiled by ATO Seoul

Changes in Korean lifestyle and dietary culture, along with remarkable development in socio-economic environment, have resulted in significantly expanded demand for processed food and beverage products. Increasing affluence, more women in the workforce, and a well-traveled younger generation looking for foods with an international flavor are promoting the rise in popularity of convenience stores, bulk retail outlets, and western-style and family restaurants. The demand for products, such as frozen vegetables, sauce preparations, and confectionery items is growing and the domestic processing industry lacks the capability to supply these items. Additionally, local agricultural output currently does not meet the demand of the local processing industry.

Table 2. Advantages and Challenges for U.S. Consumer-Oriented Foods

Advantages	Challenges
Equal or superior quality to domestic products	Frequent changes in food regulations
Increasing affluence of Koreans	Importers lack knowledge of product sources
Diminishing resistance to imported foods	Food safety concerns and biotech issues

U.S. has strong brand power and country image in Korea	High Marketing Costs
Low tariffs for processed products	Onerous inspection/customs clearance procedures
Almost all food products are importable	Tolerances of additives/preservatives are different from the U.S.

SECTION II. EXPORTER BUSINESS TIPS

A. Where to Start

When considering the Korean market, exporters should conduct preliminary research to determine if the market is appropriate for the product. Possible sources of market information include Korean importers, US state departments of agriculture, the USATO website and the US Department of Commerce. Lists of Korean importers, by product, can be obtained from the U.S. Agricultural Trade Office, or through the Foreign Agricultural Service in Washington, D.C. The next step might include sending catalogues, brochures, product samples, and price lists to prospective importers as a way of introducing the company and products.

Once contact is established, it is advisable to visit the importer(s) in person, which will increase the seller's credibility with the Korean importer and give an opportunity to see the Korean market first hand. In Korea the clichés about "seeing is believing" and "one visit is worth a 1,000 faxes" are especially true. There is no substitute for face-to-face meetings. The supplier or exporter should bring samples as well as product and company brochures including price lists, shipping dates, available quantities, and any other information needed for negotiating a contract. While information in English is acceptable, having it in Korean is helpful. A general overview of the firm in Korean is a good plan to start.

Another way of finding potential importers is to participate in local food shows to showcase your products to a larger audience. Many Korean importers attending these shows are looking to establish reliable long-term trading relationships. Show participation enhances initial contacts with importers, agents, wholesalers, distributors, retailers and others in the food and beverage industry.

The Food & Hotel Korea 2005 will be held in Seoul at the COEX, March 16-18, 2005. It presents an excellent opportunity to explore possible market opportunities in Korea. This show is a trade only show and targets importers, wholesalers, distributors, retailers, hotels, restaurants, food processors, media, etc. It is currently the only USDA-supported food show in Korea.

American companies should be sensitive to the uniqueness of the Korean market. An approach or a product that was successful in another market does not mean it will be applicable to Korea. It will be necessary to renew the product design, packaging and market approach for the Korean situation, requirements and tastes. A well-developed relationship with a Korean importer is an asset when determining how best to market a product.

For exporters of high-value niche market products, the Mid-America International Agri-Trade Council (MIATCO) offers a Distributor Development Service (DDS), which provides a series of cost-effective services designed to assist U.S. suppliers with specific information on whether and how to approach the Korean market. It will also assist U.S. food companies in establishing and solidifying contacts in the Korean import, distribution, retail, food service, or food processing sectors through trade servicing and in-market assistance. For information on the MIATCO DDS, see contact information in Section V of this report.

Finally in the Korean market, never take anything for granted. Be ready for the unexpected. Just because the first container cleared customs does not mean the second one will. Be open for new information, attentive and patient.

B. Local Business Customs

Korea is a country of tradition. While importers understand international business, noting the cultural nuances will facilitate building a business relationship. The following are some business tips U.S. suppliers should keep in mind when dealing with Korean businessmen.

1. Obtaining Information: To obtain information from a Korean importer, it is best to ask directly and explain why the information is important. Koreans may require more of an explanation than Americans are used to providing. A lengthy discussion about the seller and the firm's history may be needed. If you don not receive a successful reply, there is nothing wrong with politely asking again. In Korea, it is often seen as a sign of seriousness to continue presenting your request. Additionally, Koreans will rarely say, "no" directly. Instead they will say something is "very difficult."

2. Initial Communications: Koreans prefer to deal face-to-face. As such, cold calling (or cold e-mailing) is very difficult in Korea. When corresponding through written communication, start with words of appreciation, clearly mark the recipient's name, title, and division (as many Koreans have the same last name), avoid using long complex sentence and slang, indicate a reasonable time frame for a response, and close with additional words of appreciation.

3. Relationships: Personal relationships are very important. Koreans like to maintain long-term relationships and are often very loyal. Developing a relationship with a potential Korean partner is vital to establishing your credibility. If a seller has already entered this market, the established contacts can help to build trust with the new one.

4. Introductions: It is very helpful to have a formal introduction to the person or company with whom the seller wants to do business in Korea. Meeting the right person in a Korean company is almost always dependent on having the right introduction.

5. Evening Gatherings: The office may not be the best place to discuss business matters or propose new ideas, especially when dealing with the older generation. It is helpful to get together in the evening for a less formal, but no less important, meeting. Korean businessmen often gather after work to see friends over drinks. There many of the hierarchical traditions slacken. The rules of society weigh heavily on Korean behavior, and drinking is one of the few times they can be themselves. Although Koreans are wary of people who refuse to drink or who drink moderately, foreigners are given a little more flexibility especially if you can offer an excuse of health or religion. A useful, cultural point to note in this situation is that it is impolite to pour one's own drink. So, if you want a drink, do not be bashful about pouring a drink for others.

6. Name Cards and Address: The exchange of name cards is usually the first item of business. In Korea people seldom call others by their first names. Instead, they use

surnames (such as Mr. Hong) or title and surname together (such as President Hong). Never use a first name unless the person specifically asks to be called by their first name. Surnames are often written first on a Korean business card, for example Hong, Gil Dong would be referred to as Mr. Hong. For Westerners, it is difficult to know from the given names if the contact is a man or a woman.

7. Meetings: Small talk is a good way to break the ice at the beginning of a meeting, and a short, orderly meeting with an agenda provided in advance will go along way towards the completion of a successful meeting. It is very likely that the meeting will be with a senior staff member whose English may not be very good. At times, a junior staff member might translate but, if not, be prepared to provide all materials and/or requests in writing. Pay attention to seating arrangement, usually the senior staff member will sit at the head of the table. Decisions are usually made from the top down in Korea. When making initial visits, hiring a translator can be a valuable investment. Take time to educate the translator before hand so some familiarity with terms can be worked out.

8. Dress: It is recommended to wear a business suit and tie when meeting or visiting Korean importers for the first time. First impressions are important.

9. Resolving Conflicts: Koreans do not like to appear to have "lost face." It is important to always try to give something even if you think you are in the right. It will help the conflict resolve more quickly. Visible anger is not useful in a confrontation. Instead, silence is a more effective method of conveying displeasure. Apologizing can also be useful and does not always mean you feel you were wrong. Lastly, never direct your criticism directly at one specific person, but at an entire group.

10. Special Note: One idiosyncrasy of the Korean language is that Koreans say “yes” when they might mean “no” or vice versa. For instance, in Korean, “Wouldn’t you like to go home?” if answered with a “yes” means ‘that’s right, I would not like to go home". To avoid confusion, reply with a full sentence, “yes, I would like to go home.”

C. General Consumer Tastes and Preferences

Traditionally, Korean dishes require a lot of preparation time. Small restaurants specializing in only a few dishes are still common. Home preparation, however, is becoming increasingly rare. It is not unusual for working members of the household to have business dinners five nights a week, which is one reason restaurant consumption has continued to grow despite the lackluster economic situation. For home consumption, busy consumers can purchase ready-made local-style food items such as kimchi or bulgogi (barbecue) at local grocery or convenience stores.

There is a general preference for national brand products and/or products that have long been recognized in the market. Never the less, the younger generation has had a lot of exposure to Western- style foods, especially American food. Approximately 40,000 Korean elementary and middle school students study in the United States and, thus, they are somewhat accustomed to US brands and to the taste of American products.

Korean consumers also like natural, fresh food products, such as health foods, functional foods and diet foods. As a result, the organic market is a segment that has been developing rapidly. Koreans have always looked to their food to provide a functional or health benefit and foods made without the use of pesticides or insecticides are very appealing.

It is also important to note that Korean consumers are very sensitive to food safety issues. They tend to get their information through the media and trust it in spite of the often-misleading information. Once a “food scare” rumor gets publicity, that food is affected and its reputation is quickly damaged.

D. Food Standards and Regulations

Food standards and regulations are subject to frequent change. U.S. exporters need to ensure that all necessary customs clearance requirements have been verified with local authorities through the Korean importer before the sale conditions are finalized. Final import approval of any product is always subject to the standards and regulations as interpreted by the Korean official at the time of product entry.

There are many food standards and regulations. This report describes only the basic guidelines of Korea’s import requirements. For details on Korean import regulation, see the Food and Agricultural Import Regulations and Standards (FAIRS) Reports – KS4039 dated July 30, 2004.

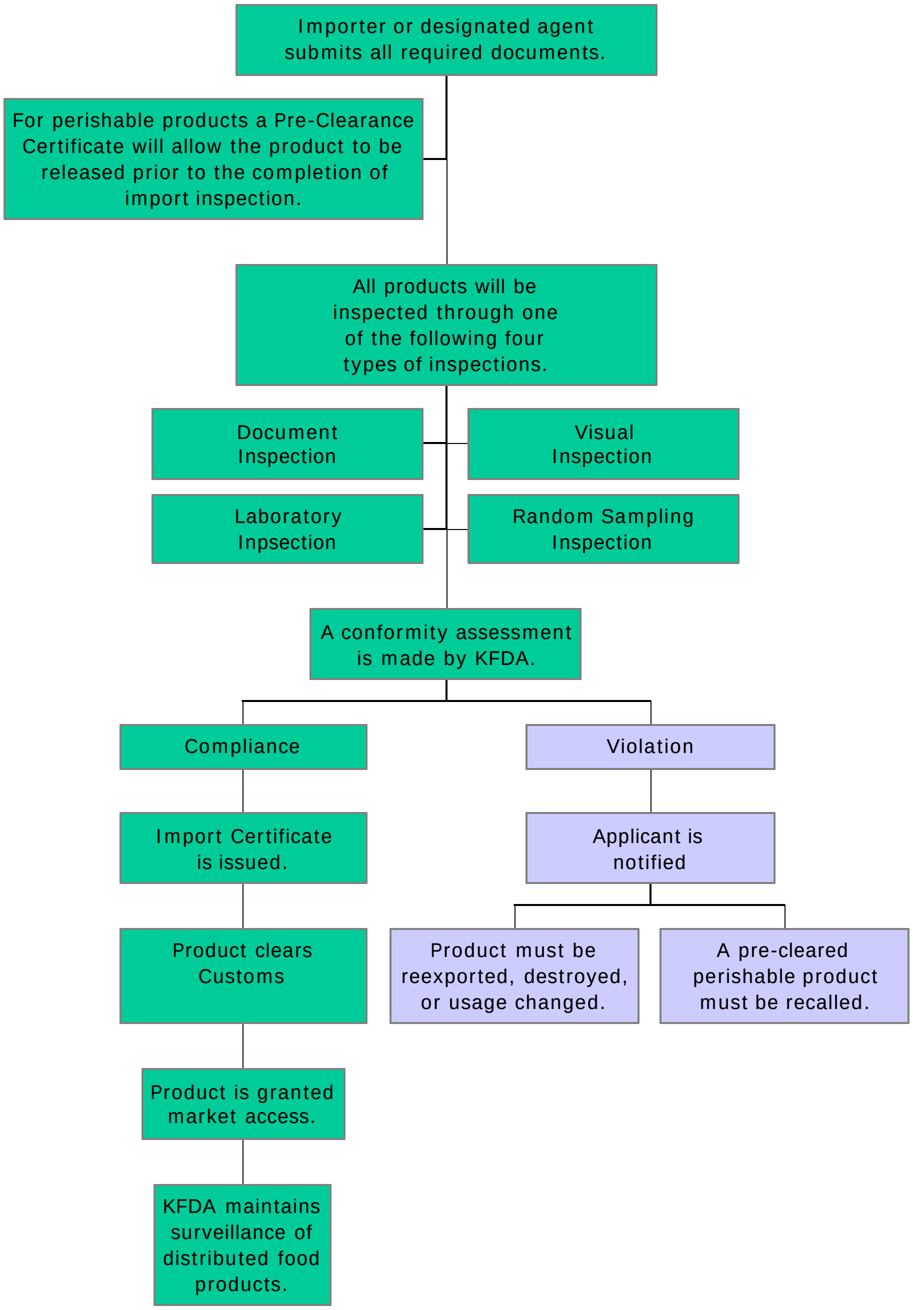
E. General Import and Inspection Procedures

The Korea Customs Service (KCS), the Korean Food and Drug Administration (KFDA), the National Quarantine Office (for ports that do not have KFDA regional offices), the National Veterinary Research & Quarantine Service (NVRQS) and the National Plant Quarantine Service (NPQS) are the agencies involved in the import clearance process. Imports of agricultural products generally must receive clearance from several organizations and are thus more likely to encounter port delays than other imported products. In addition, other organizations may be involved in regulating imports through the administration of licenses or, in some cases, quotas for agricultural products.

KCS is responsible for ensuring that all necessary documentation is in place before the product is finally released from the bonded area. KCS operates an Electronic Data Interchange System (EDI) and KFDA operates the imported food network system through their regional offices and national quarantine offices. The KFDA network system is connected to the EDI system, which permits KFDA inspection results to be transmitted more quickly, which shortens the KCS clearance time. Products subject to plant or animal quarantine inspections must be cleared by the appropriate quarantine inspection authority before KCS provides clearance.

Korea Food & Drug Administration (KFDA) Import Procedures

Flow Chart



1. The importer or the importer's representative submits the "Import Declaration for Food and other required documents"

2. The type of inspection to be conducted is determined in accordance with the guidelines for inspection of imported food products. The types of inspection for a given food product include: Document Inspection, Visual Inspection, Laboratory Inspection, and Random Sampling Examination.

3. If a product is subject to visual inspection, laboratory inspection and/or random sampling, the KFDA inspector will conduct a field examination and take samples for the laboratory test.

4. KFDA conducts the conformity assessment from the information collected, using such items as test results, document inspection results, etc.

5, If a product complies with the Korean standards, KFDA issues a certificate for import. The importer can then clear the product with the KFDA import certificate.

6. If a product does not comply with the Korean standards, KFDA will notify the applicant and the regional customs office on the nature of the violation. The importer decides whether to destroy or return shipments to the exporting country or use it for inedible purposes. If the violation can be corrected, as with labels, the importer can reapply for the inspection after making the corrections.

7. For perishable agricultural products, such as fresh vegetables, fruits, etc., an importer can clear the products prior to completion of the laboratory test with a pre-certificate for an import report issued by KFDA. However, in this case, the importer should be able to track down the distribution of the given product so it can be recalled, in case the laboratory test indicates a violation.

On August 18, 2003, MHW issued a revision of the Ministerial Ordinance of the Food Sanitation Act that tightened the import inspection program by requiring a laboratory test of agricultural products every year and for processed products every three years. The U.S. Government expressed concern to the Korean Government about the revision as it would place additional burden on U.S. exporters without justification. In response, the Korean Government reduced the number of chemicals to be tested for and lowered the testing fee from 2,245,700 won (about $1,900) to 577,800 won (about $500) on May 21, 2004.

If products are subject to animal quarantine inspection or plant quarantine inspection, in addition to food inspection by KFDA, the animal quarantine certificate or plant quarantine certificate issued by the National Veterinary Research & Quarantine Service (NVRQS) or the National Plant Quarantine Service (NPQS) is required for product clearance, in addition to the KFDA certificate. Inspection by NPQS or NVRQS can take place simultaneously with the KFDA inspection.

F. Labeling Requirements for Processed Food

There are many labeling requirements, such as nutritional labeling requirements, organic labeling requirements, labeling standards for livestock products, labeling regulations for non-processed biotech products, labeling standards for recombinant foods, liquor labeling requirements, and country of origin labeling requirements. For details on these specific labeling requirements please refer to the Food and Agricultural Import Regulations and Standards (FAIRS) Reports – KS4039 dated July 30, 2004.

Korean Language Label: This is a requirement. Korean language stickers may be applied in lieu of Korean language label. The sticker should not be easily removable and should not cover the original labeling. (Please note: the principal display panel must contain the product name, product type and content information. If this is not feasible, such information shall be provided in a Korean language sticker using a 12-point or larger font pitch size.

1. Product Name: The product name should be identical to the product name declared to the licensing/inspection authority.

2. Product type: This is mandatory for specially designated products, such as teas, health supplementary foods, etc.

3. Importer's name and address, and the address where products may be returned or exchanged in the event of defects.

4. Manufactured date – month, and year: This is mandatory for specially designated products, such as lunch box, sugar, liquor, and salts. For liquors, a manufacture number (lot number) or bottling date can substitute for the manufactured date.

5. Shelf life: Food products should clearly identify the manufacturer-determined shelf life. If various kinds of products are packaged together, the shelf life expiration date of the product with the shortest life should be noted on the label.

6. Contents: Weight, volume or number of pieces. If the number of pieces is shown, the weight or volume must be indicated in parentheses.

7. Ingredient(s) or raw material(s) and a percent content of the ingredient(s): The name of the major ingredient must be included on the label as well as the names of at least the next four principle ingredients. These should be listed with the highest percentage ingredient first, followed in descending order by the others. Artificially added purified water does not count as one of the five major ingredients. Some food additives required by the Labeling Standards for Food et al. need to be indicated on the label. Besides the top five ingredients and food additives, an indication of food items known to be food allergens is mandatory. Food items considered as food allergens include eggs, milk, buckwheat, peanuts, soybeans, wheat, mackerel, crab, pork, peaches and tomatoes. Any food product containing one or more of the above 11 allergens, as a raw ingredient (ingredients), must indicate the name (names) on the Korean language label.

8. Nutrients: Only special nutritional foods, health supplementary foods, bread and bread loaf, noodles (cooked noodle, fried noodle, gelatinized dry noodle, and improved cooked noodle), retort foods, products for which nutritional labels are sought, and products for which a nutrient emphasis mark is desired are subject to nutritional labeling.

9. Other items designated by the detailed labeling standards for food et al.: This includes cautions and standards for use or preservation (e.g., drained weight for canned products, radiation-processed products, etc.).

The revision, dated July 2000, introduced the principal display panel labeling requirement, the labeling criteria for organic products, etc., and removed the food category labeling requirement for the majority of food products.

Please note the principal display panel must contain the product name, product type, and content information. If this is not feasible, such information shall be provided in a Korean language sticker using a 12-point or larger font size.

Cases where the above application of the labeling requirements is exempted are as follows:

1. Agricultural products such as grains, fishery items, such as whole frozen fish, and fruits, that are loose, in a container or packaging, etc.

2. Foods, etc., to be used for manufacturing or cooking for a company's own use. (Documents that show such intent need to be provided.) The package for such foods shall be labeled with the name of the manufacturer and manufacture date or shelf life.

3. Products imported for the purpose of acquisition of foreign currency, under the provisions of Article 34 of the Ministerial Ordinance to the Foreign Trade Act.

G. Food Code and Food Additive Code (Administered by KFDA)

Food Code

The Food Code contains general standards and specifications governing food products and individual standards and specifications for 124 food categories, delineated into 19 groups. The revision issued on April 1, 2004 includes new Maximum Residue Limits (MRLs) and modifications of MRLs, antibiotic residual standards, etc. The revision made on May 24, 2004 expanded the list of food products for which irradiation is permitted. The Code was last updated July 16, 2004.

The Food Code stipulates standards and specifications for manufacturing, processing, usage, cooking, storage of food and equipment, containers and packaging for food products. It specifies the standards for maximum residue levels of agricultural chemicals, antibiotics, synthetic antibiotics, hormones, radioactive ray standards, testing methods, etc.

Food Additive Code

The "Food Additive Code" guides the use of all additives in foods in Korea. As of July 2004, Korea had a positive list of 615 approved food additives. Food additives are grouped into three categories: (a) chemical synthetics, (b) natural additives, and (c) mixture substances. Most additives and/or preservatives are approved and tolerance levels are established on a product-by-product basis in Korea. This creates difficulties as tolerances can vary from product to product. Getting a new additive added to the approved list can be time consuming and troublesome. Even though there may be an established CODEX standard for a given food additive, if that food additive is not registered in the Korean Food Additive Code, or even if registered but usage in a certain food product is not specified, use of that food additive in the given food product is prohibited. This means that only food additives registered in the Korean Food Additive Code are allowed for use in food products, in accordance with the usage standards specified in the Food Additive Code.

H. Tariffs

Tariffs vary considerably from product to product. In general, tariff rates are higher for products that are produced domestically. Processed products generally have lower tariffs. Exporters can contact the ATO for specific information on tariff rates.

I. Sanitary and Phytosanitary Certification Requirements – Animals, Meat, Plant, etc.

Sanitary and phytosanitary certificates issued by the exporting country's inspection authority are required for live animals, plants and meat products, such as beef, pork, poultry, etc. This requirement is in accordance with the Livestock Epidemics Prevention & Control Act, the Plant Protection Act, and the Livestock Processing Control Act, respectively.

For the United States, the U.S. Department of Agriculture (USDA), Animal & Plant Health Inspection Service (APHIS), issues sanitary and phytosanitary certificates for live animals and plants, while the USDA, Food Safety & Inspection Service (FSIS), issues health certificates for meat products.

Korea requires pre-approval of meat facilities, including slaughter plants, processors, warehouses, etc., prior to export of the product to the Korean market. Pre-approval is facilitated by registration with FSIS and listing in the FSIS Meat, and Poultry Inspection Directory. Further, it is advised that U.S. companies wanting to export meat products to Korea first verify that the supplying U.S. facilities are approved by Korea.

The "issuance date" of both health and phytosanitary certificates shall be prior to the "on-board date" listed on the Bill of Lading. The "inspection date" on a certificate must be prior to the departure date. To prevent unnecessary delay at the port of entry, the certificate "issuance date" should be prior to the departure date of shipments.

Current information on which U.S. livestock and poultry products are eligible for export to the Korean market can be found on the website of the USDA, FSIS at (http://www.fsis.usda.gov/Frame/FrameRedirect.asp?main=http://www.fsis.usda.gov/OFO/export/KOREASO.htm). This website also provides guidance in what documents need to accompany livestock product shipments destined for Korea.

J. Product Certification

Plant and meat quarantine inspections are very strict in Korea. No plant and meat products will clear Korean Customs without the necessary certificates and required information.

1. **Beef and Beef Products:** Red meat products must be accompanied by the following FSIS certificates:

   a. FSIS Form 9060-5, Meat and Poultry Export Certificate of Wholesomeness
   b. FSIS Form 9305-4, Certificate for Export of Meat to the Republic of Korea

   *On December 23, 2003, in response to the finding of one positive case of BSE in Washington State, an animal that had been imported from Canada, Korea banned all ruminant animals and their products originating from the United States. Korea has similar bans on all ruminant products coming from 34 countries – 30 European nations, Japan, Israel, Canada and the United States. A total of 680 U.S. products have been banned due to the BSE situation. Only dairy products, hides and skins, semen of ruminant origin, fetal calf serum, porcine gelatin, porcine plasma powder, pet food (without any ruminant ingredient in retail packages), tallow (with an "insoluble impurity" of 0.15 percent or lower), and fish meal produced in a facility dedicated for producing only fish meal can be imported from approved plants. Korea has indicated its willingness to allow imports of the following products. However, details on certification, plant approval, etc., have yet to be completed. The products are: 1) Gelatin and collagen originating from hides and skins only; 2) Dicalcium phosphates free of protein and fat; and, 3) Hydrolyzed poultry protein for animal feed ingredients. The Korean government lifts the import ban after reviewing product by product.

2. Pork and Pork Products

a. FSIS Form 9060-5, Meat and Poultry Certificate of Wholesomeness
b. FSIS Form 93-5-5, Certificate for the Export of Pork Meat to the Republic of Korea

3. Poultry Products

a. FSIS Form 9060-5
b. FSIS Form 9305-2A

* Korea suspended import inspection of U.S. poultry and poultry products, except for Specific Pathogen Free (SPF) hatching eggs and cooked products that have been processed (e.g. heat treated to kill the virus), beginning February 7, 2004, based on the report of the Avian Influenza (AI) outbreak in Delaware. The suspension placed on import inspection of U.S. poultry products was shifted to a ban February 24, 2004, after confirmation of the outbreak of Highly Pathogenic Avian Influenza (HPAI) in Texas.

Since the outbreak of HPAI in the United States, exports of cooked poultry products and products containing eggs as ingredients must comply with heat treatment requirements established by the Korean government. Heat treatment requirements are as follows:

(1) Heat treatment for cooked poultry products:
70° C (158° F) for a minimum of 30 minutes; or, 75° C (167° F) for a minimum of 5 minutes; or, 80° C (176° F) for a minimum of 1 minute or equivalent treatment.

(2) Heat treatment for products containing eggs, including dairy products such as ice cream:
55° C (131° F) for a minimum of 15 minute, 60° C (140° F) for a minimum of 5 minutes; or 64° C (147° F) for a minimum of 4.5 minutes; or equivalent treatment.

(3) A heat treatment statement shall be provided on a form of the certificate issued by the U.S. government agency, including FSIS, APHIS, etc.

*USDA is discussing with the MAF a lifting of the import ban placed on fresh and frozen poultry products after the minimum 6-month probation period. The ban on live birds has been lifted.

4. Sheep and Goat Meat and Sheep and Goat Meat Products

a. FSIS Form 9060-5, Meat and Poultry Certificate of Wholesomeness
b. FSIS Form 9305-6, Certificate for Export of Sheep and Goat Meat and Sheep and Goat Meat Products to the Republic of Korea

5. Pork Casings

a. FSIS Form 9060-7
b. FSIS Form 9305-5

6. **Processed Meat Products:** Processed meat products such as sausages, hamburger patties and ground meat do not need to indicate slaughter information on the FSIS Form 9305-4. These products are required to indicate only processing information.

7. **Fresh Products:** Fresh fruits, vegetables and nuts (except walnuts) must be accompanied by:

   a. Phytosanitary Certificate, PPQ Form 577, issued by USDA/APHIS (Animal & Plant Health Inspection Service)
   b. Some fresh products are prohibited and others require additional documentation besides Form 577. NPQS should be consulted about specific documentation for each particular product.

   The issuance date of the phytosanitary certificate shall be prior to the departure date listed on the Bill of Lading. In order to prevent unnecessary delays at the port of entry, it is further suggested that the certificate issuance date be prior to the departure date of shipments. In any case, the inspection date on a certificate must be prior to the departure date.

8. **Frozen Fruits and Vegetables** must be accompanied by either one of the following:

   a. Certificate of Quality and Condition, Form FV-146CS issued by USDA/AMS (Agricultural Marketing Service)
   b. Export Certificate PPQ Form 578, issued by USDA/APHIS

9. **Vacuum Packed Shelled Walnuts** must be accompanied by a Phytosanitary Certificate, PPQ Form 577, issued by USDA/APHIS

K. StarLink-Free Certification

In December 2000, after KFDA detected StarLink protein in U.S. corn shipments, imported food-grade corn and corn-based food products were required to arrive with a StarLink-free certification issued by the exporting country. For U.S. corn shipments, such certification should be issued by the USDA, Grain Inspection, Packers, and Stockyards Administration (GIPSA), or an accredited lab, to minimize potential problems during inspection clearance. Regardless, the sales contract should specify the terms for pre-shipment tests. For processed food products containing corn as an ingredient, certification can be met with a letter, statement, or certificate issued by the manufacturer or the exporter stating the raw corn ingredient was "StarLink-free." All US origin food grade corn and corn-based products must provide a StarLink-free certification at port of entry.

L. Minimum Amount of the Initial Commercial Shipment

On May 15, 2000, KFDA issued a revision to the "Guideline for Inspection of Imported Food Products." In the revision, KFDA added a clause limiting the minimum amount of the initial commercial shipment, which it would inspect directly. When the quantity of the imported food is less than 100 kg, the imported food is required to be inspected by a KFDA-recognized inspection organization rather than a regional KFDA office or National Quarantine Services. Importers shall be responsible for charges associated with import inspection. Detailed information is available from the KFDA's English website - http://www.kfda.go.kr.

M. Copyright and/or Trademark Laws

The Korea Industrial Property Office is responsible for registration of trademarks and for review of petitions related to trademark registration. In accordance with the Trademark Law, the trademark registration system in Korea is based on "a first-to-file system." A person who registers a trademark first has a preferential right to that trademark and the person who has a right over the trademark is protected by the Law. In order to prevent any trademark dispute, U.S. companies wishing or planning to conduct business in Korea are strongly recommended to register trademarks first.

N. U.S. Laboratories Authorized to Inspect on Behalf of the Korean Government (KFDA)

KFDA operates a program that recognizes foreign laboratories as official testing laboratories. This program aims to enhance the efficiency of conducting inspection of imported food. KFDA authorizes foreign laboratories and recognizes inspection certificates or certificates of laboratory test results issued by these authorized laboratories. As of now, there are two U.S. laboratories that have been authorized by KFDA. They are:

1. **Oregon Department of Agriculture's Export Service Center**

   The Oregon Department of Agriculture's Export Service Center (ESC) is a one-stop technical assistance center for U.S. food manufacturers and exporters. It is designed to reduce obstacles for exporting products. The ESC has been certified by the Korean Food & Drug Administration to do food related testing, such as residue and microbiological testing on food and beverages and food package testing, for products bound for Korea. A certificate of inspection from this lab usually expedites clearance inspections at Korean Customs. The ESC offers a range of technical services, including product evaluation and certification. They will evaluate products for foreign country requirements and issue a certificate that minimizes the chances of product rejection. For more information on the services which the Export Service Center provides contact:

   Oregon Department of Agriculture
   Export Service Center
   1200 N.W. Naito Parkway, Suite 204
   Portland, Oregon 97209-2835
   Tel: 503-872-6644; Fax: 503-872-6615
   E-mail: esc-food@oda.state.or.us

2. **Omic USA Inc.**
   Omic USA is the second U.S. laboratory to be recognized by the Korea Food & Drug Administration as an official foreign testing laboratory. The contact information follows:

   Omic USA Inc.
   Mr. Ryuichi Kurosawa, President
   1200 N.W. Naito Parkway
   Portland, Oregon 97209
   Tel: 503-224-5929; Fax: 503-223-9436

O. Documents Generally Required

1. Invoice
2. Bill of Lading, or Airway Bill
3. Packing List
4. Certificate of Origin (not required if there is "Made in USA" on the label.)
5. Ingredient List
6. Processing Method
7. Certificate of Production Date
8. Packing Material (not required for bottles, cans and paper packages)
9. Non-biotech (certification for corn, soybeans and potatoes)
10. Sanitary certificate (for meat, fruit, nuts, vegetables, plants, grains, etc.)

SECTION III. MARKET SECTOR STRUCTURE AND TRENDS

Local eating habits have changed dramatically in recent years. A diet that had long been based on rice became progressively more centered on wheat and protein. At the same time, consumers sought more diversity and became more quality oriented. Consumption of fish, fruits and vegetables increased. Consumer preferences also shifted toward foods that were convenient to cook rather than those that require lengthy preparation. At the same time, demand for greater quality in terms of flavor and nutrition increased. Consumers became more health and safety conscious in their food buying habit as ingredients, packaging, shelf life and toxicity became important determinants of purchasing behavior. Spending habits also became diversified as individual preferences and a wider variety of foods became available to meet consumer demand. These shifts toward quality, variety, convenience, safety and health resulted not only increased consumption of processed food, but also stimulated the growth of the domestic food processing industry.

A. Retail Food Sector

The growth of overall retail market sales has slowed in recent years due to the sluggish economy and shrinking sales of traditional retailers. Advanced mass retailers (hypermarkets, department stores, convenience stores, and on-line shopping) are estimated to account for about 35 percent of the overall retail market sales. Although diminishing, traditional retail channels are still taking significant part of the business in areas where new mass retailers have yet to penetrate. The share of hypermarkets is likely to increase further as there still remains room enough for an additional 100-200 stores.

Another rapid growing segment is 'on-line' retailing. More people are shopping on-line for convenience and better assortment. Products purchased on-line are also becoming more diverse from cosmetics to electronics to healthy foods. Most of the leading off-line mass retailers now also operate Internet stores and home-delivery service to compete in the segment.

Table 1. Breakdown of Retail Market Sales in Korea

Segment	2001		2002		Growth %
	Sales	Share	Sales*	Share	
Department Stores	$13.2 billion	10.3 %	$14.2 billion	10.9 %	8.2 %
Hypermarkets	$11.5 billion	9.0 %	$14.3 billion	11.0 %	24.6 %

Supermarkets	$4.1 billion	3.2 %	$4.3 billion	3.3 %	6.1 %
Convenience Stores	$1.4 billion	1.1 %	$2.2 billion	1.7 %	53.0 %
On-line Shopping	$4.4 billion	3.5 %	$9 billion	6.8 %	103.8 %
Traditional Market	$92.9 billion	73.0 %	$86.8 billion	66.3 %	- 6.6 %
Total	$127.5 billion	100 %	$130.7 billion	100 %	2.3 %

* 2002 data are the most up-to-date statistics available currently.

Table 2. Food Sales by Retail Format

Year 2002	Percent of Sales from Food Items	Total Food Sales
Department Stores	15.1 %	$2.2 billion
Hypermarkets	43.9 %	$6.3 billion
Supermarkets	72.7 %	$3.2 billion
Convenience Stores	47.7 %	$1 billion
Home Shopping	17.8 %	$1.6 billion

Source: Analysis of Retail Industry Performance 2003

There are several types of retail sectors that handle foods and agricultural products. They are: general market place (conventional open air markets), periodic market places in rural areas (normally open once every 5 days), department stores/shopping centers, supermarkets (super chain companies and several thousand independent small supermarkets and outlets), convenience stores, mom and pop stores, National Agricultural, Fishery and Livestock Cooperative Federation Stores and discount stores or membership warehouse type stores. Most retailers purchase imported food products from importers and/or wholesalers. Few retailers import food products directly. U.S. exporters should contact distributors and importers, along with retailers.

Currently, the customs clearance process is so cumbersome and costly that it is generally not cost effective to bring in mixed container loads. Instead distributors bring in full containers of a particular product, storing it in country or distribute it to retailers or other distributors. Very few Korean retailers import food products directly, rather buy these products from importers. This situation is not expected to change in the near future.

1. Department Stores/Shopping Centers. According to the Korea Chamber of Commerce and Industry (KCCI), the average annual sales per store of 83 department stores/shopping centers surveyed amounted to $181.4 million in 2003. In those sales food and beverage accounted for 18 percent in 2003. The three department stores in Korea: Lotte, Hyundai and Shinsegae accounted for 74.5 percent of the total market, especially the sales of Lotte Department Store were $5.9 billion in 2003, accounting for about 40 percent of the total sales of the department stores in Korea. The prospect for the sales of department stores is not bright because of low domestic consumption, prolonged economic slump and fierce competition with hypermarkets/discount stores.

2. Supermarkets. The average annual sales of the 1,140 supermarkets in seven major cities surveyed by the KCCI were to $2.23 million per store in 2003. Of the average annual sales per outlet, food sales accounted for 75.8 percent. The total sales of supermarkets in Korea is estimated at about $5.8 billion in 2003. The major players in this market are LG Supermarket, Hanhwa Store, Haitai Mart, Top Mart and Lotte Supermarket which accounted for about 26 percent of the total sales in the supermarkets. This industry is expected to grow about 3-5 percent this year.

3. Convenience Stores. According to the KCCI report, there were 7,017 outlets belonging to seven largest convenience store companies in 2003, up from 5,491 stores in 2002. The total sales of those seven companies were $2.9 billion in 2003, 25.4 percent from $2.3 billion in 2002, and the average annual sales per store was $380,192 in 2003. Of the total sales, food and beverage sales accounted for 58 percent in 2003, compared to 58.6 percent in 2002. This sector is expected to grow about 10-20 percent per year over the next few years as the number of outlets increases rapidly.

4. Hypermarkets/Discount Stores. This is one of the fastest growing segments in the retail sector. The total sales of hypermarkets were $16.3 billion in 2003. The five major players in this sector such as E-Mart, Home Plus, Lotte Mart, Carrefour, and Wal-mart accounted for 73.6 percent of the total sales of this sector in 2003. The average annual sales of the 247 discount stores surveyed by the KCCI in 2002 amounted to $73.2 million per store. Of the average annual sales per store, food and beverage products accounted for 55.8 percent. Imported goods, including food, accounted for 7.3 percent in 2003, compared to 10.7 percent in 2002. Of imported goods, imported food accounted for 35.5 percent. This sector sales are expected to grow significantly, about 10-20 percent per year over the next couple of years, as the number of outlets increases.

For further detailed information on the retail food sector in Korea, please refer to the Retail Sector Report KS4009 dated February 23, 2004.

B. Hotel, Restaurant and Institutional (HRI) Industry

The Monthly Statistics of Korea (July 2004 Issue) shows that the average monthly expenditures on food and beverage per household in cities in 2003 were $425.60, accounting for 22.9 percent of a household's total expenditures. The average persons per house in cities were 3.48 persons in 2003. The eating-out expenditure has been increasing very fast and accounted for 45 percent of the total expenditures on food in 2003.

Table 3: Average Monthly Expenditures on Food Items per Household

Food Items	US$	Percent
Cereals and bread	37.15	8.73
Meat	34.15	8.02
Dairy products	16.61	3.90
Fish and shellfish	26.55	6.24
Vegetables & seaweeds	33.48	7.87
Fruits	23.54	5.53

Oils, fats & seasonings	11.86	2.79
Bakery & confectioneries	18.62	4.37
Tea, soft drinks & Alcoholic beverages	17.78	4.18
Other foods	11.19	2.63
Eating out	194.69	45.74
Total Expenditure	425.61	100%
Total Expenditure	425.61	100%

*The exchange rate was 1197.8 won against US$ in 2003

The food service sector garnered approximately $33.7 billion trillion in sales in 2002, up from $28.5 billion in 2001. While industry data is not available, contacts estimate that the sector continues to grow 4-5 percent annually. The number of food service businesses increased, reaching 595,791 in 2002 with total 1.59 million employees. However, about 75 percent of the businesses in the sector are family-owned, mom-and-pop restaurants that hire less than 5 employees. In addition, the average annual earnings of these 75 percent were less than $45,000 per restaurant in 2002.

Table 4 - Profiles of Major Western Fast Food Restaurant Chains in 2003

Name of Company	Brand	Sales	Number of Outlets
Lotte	Lotteria	$442 Million	890
Shinmac & Mackim	McDonald's	$250 Million	343
Genesis	BBQ	$317 Million	1,550
Doosan	KFC	$208 Million	208
Doosan	Burger King	$69 Million	108
TS Haemaro	Popeye's	$108 Million	210

Source: Yearbook of Distribution Industry 2004

The growth of the food service sector in recent years has been mainly driven by the expansion of incorporated businesses operating chain restaurants of various formats, including family restaurants, fast food restaurants, bars and institutional restaurants. In addition, the sector has diversified rapidly with a variety of new-to-market cuisines and recipes.

The outlook for U.S. food exports to this sector is excellent, especially for beef, pork, poultry, seafood, vegetables and fruits (frozen, dehydrated and canned), dairies, alcoholic beverages, sauces and spices, bakery ingredients, prepared foods and organic foods.

For further detailed information on the hotel, restaurant and institutional industry in Korea, please refer to the HRI Food Service Sector Market Brief - KS2041 dated September 5, 2002 (Will be updated soon).

C. Domestic Food Processing Sector

The Korean food and beverage manufacturing and processing industry is a major consumer of imported raw materials, intermediate products, ingredients and additives. Imports are necessary to support the processing industry because local production cannot meet the demand. Except for rice and certain dairy products, of which there is a large surplus, Korea imports almost all types of agricultural products for processing. Corn, soybeans, wheat, essential oils, frozen concentrated orange juice, turkey meat, duck meat, almonds, walnuts, powdered milk, whey powder and beef tallow are good examples of the raw materials or ingredients imported into Korea for use in food processing. U.S. suppliers have a strong opportunity to export raw materials or ingredients for use in food processing in Korea. The total production of food, food stuffs and beverages is estimated at $35.7 billion in Korea in 2002.

Table 5. Output of Food Processing by Sector: 2002

Food Processing Sector	Gross output ($million)	Share (%)
Meat processing	3,895	10.9%
Grain processing	3,691	10.3%
Dairy & Ice cream	3,535	9.9%
Feed processing	3,430	9.6%
Alcoholic beverages	3,030	8.5%
Non-alcoholic beverages	2,637	7.4%
Fish and marine products	2,449	6.9%
Coffee, tea, soup & other foods	2,124	5.9%
Bread & Grain preparations	2,028	5.7%
Seasonings, spices & Food additives	2,001	5.6%
Noodles and similar products	1,426	4.0%
Cocoa & sugar confectionery	1,086	3.0%
Fats & Oils manufacturing	1,066	3.0%
Fruit & Vegetable Processing	1,014	2.8%
Sugar manufacturing	676	1.9%
Starch & Sweeteners manufacturing	637	1.8%
Total	35,731	100%

Source: Report on Mining and Manufacturing Survey, Dec. 2003

Most Korean food and beverage manufacturers are small-scale companies. As of the end of 2002, there were 7,550 food, livestock, dairy and beverage manufacturing plants with five or more employees. Of these, there are only 16 manufacturers with 500 employees or more. Only 4 percent (304 manufacturers) have 100 or more employees.

For further detailed information on the Korean food processing industry, please refer to the Food Processing Ingredients Sector Report – KS4011 dated February 27, 2004.

D. Trends in Holiday Sales

There are two major holidays in Korea when sales dramatically increase: In 2005, the three-day Lunar New Year Holiday will take place on February 8,9 and 10, and the three-day Chusok (Korean Thanksgiving) holiday will take place on September 17, 18 and 19. During these holidays, many Koreans give gifts to their relatives, friends and business associates. Beef ribs, fruits and other high value food products are popular during these holidays.

E. Home Shopping Sales

Internet sales are becoming popular and increasing rapidly. There are 5 TV home shopping companies in Korea, approved by the government, which sell their products in a variety of ways including catalogs, on-line sales, and television sales programming. The average annual sales per TV home shopping company through the Internet were $69 million in 2003, up 17 percent from $59 million in 2002, of which food sales accounted for 18 percent ($12.4 million). The average annual sales per TV home shopping company through television sales programming were $60 million in 2003, of which food sales accounted for 16 percent.

SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS

Product Category	2003 Market Size (1,000 MT)	2003 Imports Volume: (1,000 MT) Value: ($ Mil)	5 Yr. Avg. Annual Import Growth Total: U.S.:	Import Tariff Rate	Key Constraints over Market Development	Market Attractiveness for U.S.
Beef	474	326 $1,071	56.6% 64.8%	Beef: 40%	Currently beef imports are banned due to BSE.	Good market once ban is lifted.
Poultry Meat	524	94 $96	52.0% 28.9%	*18-20%	Not manually trimmed. Most chicken parts are currently banned.	Price-competitive in case of chicken legs. Market should return once ban is lifted.
Citrus	880	151 $118	51.7% 50.2%	Orange: 50% Grapefruit: 30% Lemon: 30%	High tariff rates and quality variable. Septoria citri issue with two counties in CA.	Tariff for oranges declined in 2004 to 50%. The U.S. is the predominant supplier. Good market once Septoria citri issue is resolved.
Hay & Fodder	NA	546 $101	155.1% 172.1%	Alfalfa: 1% Others: 2-100.5%	Tariff quotas apply except for alfalfa	U.S. product is considered high quality.
Chocolate	$293 mil	30 $99	23.1% 23.9%	8%	High quality products are not well known in Korea.	Competitive in prices and design for medium quality products.
Wine	NA	13,123 KL $46	121.1% 138.6%	15%	Fewer varieties than French; higher prices	Consumption is growing rapidly

					than Chilean and Australian wines	
Fish and Seafood	3,607	1,121 $1,737	49.7% 16.7%	*10-20%	US prices are higher than those of competitors.	Good quality
Pet Food	405	39 $51	99.6% 56.6%	5%	High prices	Demand is increasing.
Fresh Potato		18 $7	41.3% NA	30-304%	Competition with local and Australian potatoes	U.S. potatoes are competitive in prices and quality with competitors. U.S. fresh potatoes started to come in 2004.
Nuts	NA	10 $35	23.7% 23.9%	Almond: 8% Pistachio: 30% Walnut: 30%	Tariffs are high for pistachios & walnuts and in-shelled walnuts are prohibited.	U.S. is a predominant supplier.

*The tariff rates are different depending upon the product, and for some fish there are adjustment tariffs, which are a lot higher than listed above. For specific tariff rates, please contact ATO Seoul.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

KEY FAS/USDA CONTACTS AND FURTHER INFORMATION

For further information about the Korean agricultural market, please contact:

U.S. Agricultural Trade Office
Korean Address: Room 303, Leema Building
146-1, Susong-dong, Chongro-ku, Seoul, Korea
U.S. Mailing Address: US Embassy Seoul, Unit 15550-ATO, APO, AP 96205-5550
Telephone: 82-2 397-4188 Fax: 82-2 720-7921
E-mail: atoseoul@usda.gov
Website: www.atoseoul.com

Agricultural Affairs Office
Korean Address: U.S. Embassy, 82, Sejong-ro, Chongro-ku, Seoul, Korea
U.S. Mailing Address: US Embassy Seoul, Unit 15550-AgAff, APO, AP 96205-5550
Telephone: 82-2 397-4297 Fax: 82-2 738-7147
E-mail: agseoul@usda.gov

For more information on how you can register for USDA/FAS' Supplier List:
The United States Department of Agriculture's Foreign Agricultural Service (USDA/FAS) offers information and services that can be beneficial to both new and experienced exporters. For example, the U.S. Suppliers Service is a searchable database of over 5,000 U.S. exporters and their products, which is used by USDA/FAS to help facilitate connecting potential buyers with U.S. suppliers. This database is used by more than 85 USDA FAS Overseas offices to help export agents, trading companies, importers and foreign market buyers locate U.S. suppliers. It is also used to recruit U.S. exporters to participate in market development activities sponsored by USDA and federal export programs.

You can register online for this service at
http://www.fas.usda.gov/agexport/exporter.html

AgConnections Team
AgExport Services Division, Foreign Agricultural Service, Washington, D.C.
Telephone: 202-690-4172 Fax: 202-205-2963
E-mail: joyce.estep@usda.gov
Website: www.fas.usda.gov/agx/agx.html

For further information about sanitary and phytosanitary requirements, please contact:

U.S. Animal Plant and Health Inspection Service (APHIS)
Korean Address: Room 303, Leema Building
146-1, Susong-dong, Chongro-ku, Seoul, Korea
U.S. Mailing Address: US Embassy Seoul, Unit 15550-APHIS, APO, AP 96205-5550
Telephone: 82-2 725-5495 Fax: 82-2 725-5496
E-mail: aphis@kornet.net
Website: www.aphis.usda.gov

For information about activities by Strategic Trade Regional Groups, please contact:

Mid-America International Agri-Trade Council (MIATCO)
400 West Erie Street, Suite 100, Chicago, Illinois 60610
Telephone: 312-944-3030 Fax: 312 944-1144
E-mail: eriggs@miatoco.org
Website: www.miatco.org

Western United States Agricultural Trade Association (WUSATA)
2500 Main Street, Suite 110, Vancouver, WA 98660-2697, USA
Telephone: 360-693-3373 Fax: 360-693-3464
E-mail: bruce@wusata.org
Website: www.wusata.org

Food Export USA - Northeast Region of the United States
150 S. Independence Mall West, 1036 Public Ledger Building
Philadelphia, PA 19106, USA
Telephone: 215-829-9111 Fax: 215-829-9777
E-mail: jcanono@foodexportusa.org
Website: www.foodexportusa.org

Southern United States Agricultural Trade Association (SUSTA)
2 Canal Street Suite 2515, New Orleans, LA 70130, USA
Telephone: 504-568-5986 Fax: 504-568-6010
E-mail: jim@susta.org
Website: www.susta.org

For information on the commercial and industrial products in Korea, please contact:

U.S. Commercial Service
Korean Address: U.S. Embassy, 82, Sejong-ro, Chongro-ku, Seoul, Korea
U.S. Mailing Address: US Embassy Seoul, Unit 15550-USCS, APO, AP 96205-5550
Telephone: 82-2 397-4535 Fax: 82-2 739-1628
E-mail: Seoul.office.box@mail.doc.gov Homepage: www.buyusa.gov/korea

APPENDIX. STATISTICS

Table A. KEY TRADE & DEMOGRAPHIC INFORMATION

Agricultural Imports From All Countries ($Mil) / U.S. Market Share (%) 1/	13,421/26.3
Consumer Food Imports From All Countries ($Mil) / U.S. Market Share (%) 1/	3,779/41.8
Edible Fishery Imports From All Countries ($Mil) / U.S. Market Share (%) 1/	1,900/7.6
Total Population (Millions) / Annual Growth Rate (%)	48/ 0.6
Urban Population (Millions) / Annual Growth Rate (%) 2/	36.8/1
Number of Major Metropolitan Areas 3/	7
Size of the Middle Class (Millions) / Growth Rate (%) 4/	N/A
Per Capita Gross Domestic Product (U.S. Dollars)	$12,628
Unemployment Rate (%)	3.4
Per Capita Food Expenditures (U.S. Dollars) 5/	$426
Percent of Female Population Employed 6/	48.9
Exchange Rate (US$ = Korean won) 7/	1,197.8

All data are for 2003 unless otherwise noted.

Foot Notes
1/ Korea Trade Information Service (KOTIS), compiled by ATO Seoul
2/ Urban population in 2000 and average annual growth rate between 1995 & 2000
3/ Population in excess of million people in 2000
4/ Official data is not available
5/ Average monthly household expenditures in cities on food and beverage
6/ % of women employed against total number of women (15 years old or above)
7/ Year-end exchange rate of won against the U.S. dollar in 2003

Table B. KOREAN CONSUMER FOOD & EDIBLE FISHERY PRODUCT IMPORTS

Imports (In Millions of Dollars)	Imports from the World			Imports from the U.S.			U.S. Market Share		
	2001	2002	2003	2001	2002	2003	2001	2002	2003
CONSUMER-ORIENTED TOTAL	**2608**	**3074**	**NA**	**977**	**1313**	**NA**	**37%**	**43%**	**NA**
Snack Foods (Excl. Nuts)	117	140	NA	27	35	NA	23%	25%	NA
Breakfast Cereals & Pancake	5	6	NA	1	1	NA	20%	17%	NA
Red Meats, Fresh/Chilled/Frozen	734	1160	NA	375	673	NA	51%	58%	NA
Red Meats, Prepared/Preserved	42	43	NA	18	19	NA	43%	44%	NA
Poultry Meat	100	102	NA	48	56	NA	48%	55%	NA
Dairy Products (Excl. Cheese)	109	99	NA	19	16	NA	17%	16%	NA
Cheese	88	85	NA	14	15	NA	16%	18%	NA
Eggs & Products	18	18	NA	8	7	NA	44%	39%	NA
Fresh Fruit	188	139	NA	84	96	NA	45%	69%	NA
Fresh Vegetables	35	39	NA	1	1	NA	3%	3%	NA
Processed Fruit & Vegetables	309	309	NA	99	98	NA	32%	32%	NA
Fruit & Vegetable Juices	87	102	NA	28	38	NA	32%	37%	NA
Tree Nuts	28	28	NA	23	24	NA	82%	86%	NA
Wine & Beer	35	42	NA	8	8	NA	23%	19%	NA
Nursery Products & Cut Flowers	30	34	NA	1	1	NA	3%	3%	NA
Pet Foods (Dog & Cat Food)	20	36	NA	12	17	NA	60%	47%	NA
Other Consumer Products	663	692	NA	211	208	NA	32%	30%	NA
SEAFOOD PRODUCT TOTAL	**1585**	**1806**	**NA**	**149**	**165**	**NA**	**9%**	**9%**	**NA**
Salmon	20	18	NA	2	1	NA	10%	6%	NA
Surimi	112	115	NA	63	57	NA	56%	50%	NA
Crustaceans	253	340	NA	9	13	NA	4%	4%	NA
Ground fish & Flatfish	593	667	NA	57	66	NA	10%	10%	NA
Mollusks	156	177	NA	1	1	NA	1%	1%	NA
Other Fishery Products	451	489	NA	17	27	NA	4%	6%	NA
CONSUMER & FISHERY TOTAL	**4193**	**4880**	**NA**	**1126**	**1478**	**NA**	**27%**	**30%**	**NA**

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

Table C. TOP 15 SUPPLIERS OF CONSUMER FOODS & EDIBLE FISHERY PRODUCTS

CONSUMER-ORIENTED AGRICULTURAL TOTAL

Reporting Country: Korea, Republic of Top 15 Ranking	Import		
	2001	2002	2003
	1000$	1000$	1000$
United States	976,328	1,310,703	NA
China (Peoples Republic of)	309,578	339,454	NA
Australia	229,599	315,646	NA
New Zealand	112,934	131,712	NA
Canada	73,591	94,795	NA
Japan	84,466	94,675	NA
Thailand	90,060	83,512	NA
Belgium	58,413	82,478	NA
Netherlands	72,616	70,673	NA
Denmark	57,887	62,741	NA
France	71,075	59,884	NA
Brazil	37,863	49,615	NA
Philippines	103,257	38,236	NA
Germany	34,750	37,728	NA
Hungary	23,925	32,918	NA
Other	270,985	269,289	NA
World	2,607,343	3,074,090	NA

EDIBLE FISHERY PRODUCTS

Reporting Country: Korea, Republic of Top 15 Ranking	Import		
	2001	2002	2003
	1000$	1000$	1000$
China (Peoples Republic of)	628,631	709,721	NA
Russian Federation	152,419	213,932	NA
United States	148,513	164,663	NA
Japan	132,630	141,173	NA
Vietnam	101,443	116,291	NA
Thailand	82,993	83,668	NA
Taiwan (Estimated)	45,600	54,702	NA
Canada	24,511	42,810	NA
Norway	24,957	25,301	NA
United Kingdom	16,298	21,871	NA
Indonesia	24,133	21,533	NA
Mexico	16,513	18,767	NA
India	16,226	17,741	NA
Philippines	14,748	14,936	NA
Ireland	11,455	13,884	NA
Other	144,164	145,559	NA
World	1,585,246	1,806,561	NA

NA - Data not available (not reported)
Data: Harmonized Tariff Schedule (HS 6 Digit)
Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office