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Korea, Republic of

Exporter Guide

Annual

2001

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Report Highlights:
Korea is the 4th largest U.S. market for agricultural products, and remains dynamic despite the worldwide economic slowdown. Economic growth in Korea is now expected to fall from the 8 percent level seen in 2000, to about 2 percent in 2001. Regulatory changes over the past year affecting U.S. exporters include required labeling for food containing certain products of biotechnology.

This report serves as a general guide to prospective U.S. agriculture exporters seeking to enter this attractive market. For more complete information, please see our website at atoseoul.com.

Includes PSD changes: No
Includes Trade Matrix: No
Annual Report
Seoul ATO [KS2], KS

THE EXPORTER GUIDE, KOREA

SECTION I. MARKET OVERVIEW

The real GDP growth rate in Korea reached 8.8 percent in 2000 and per capita GNI (Gross National Income) reached $9,628. However, the GDP growth has slowed significantly since and is forecast to be around 1 percent in 2001 due to the domestic and global economic slump, and the per capita GNI is forecast to decrease slightly due to the depreciation of Korean currency. The foreign exchange reserves totaled over $100 billion as of September 18, 2001.

Korea must import about 70 percent of its agricultural product needs. About the size of Indiana, the 2001 population of Korea is estimated at 46 million. Of the total population, about 47 percent are concentrated in the metropolitan Seoul area (Seoul, Inchon and Kyunggi Province). The population density of Korea is one of the highest in the world.

Imports of many consumer-ready food products are highly sensitive to the performance of the economy. According to Korea Trade Information Service (KOTIS) compiled by ATO Seoul (based on CIF value), total imports of consumer oriented food jumped by 35.5 percent to $2.87 billion in 2000 from $2.1 billion in 1999. Imports of consumer oriented food from the United States also jumped to $1.15 billion in 2000 from $785 million in 1999. These imports from the United States accounted for about 40 percent of those imported from the world.

Imports of Consumer Ready Food Products and Fishery Products in Korea
(in millions of dollars)

Description	1998		1999		2000	
	World	USA	World	USA	World	USA
Consumer-oriented	1,424	**519**	2,119	**785**	2,871	**1,150**
Fish & Seafood	539	**78**	1,115	**122**	1,338	**138**

Sources: Korea Trade Information Service compiled by ATO Seoul

In 2000, 45 percent of women in Korea who were 15 years or older were employed. As heads of households, men are the major wage earners and usually turn over their salary to their wives, who manage the home expenses and savings. While decisions on purchasing expensive goods or large expenditures are generally made in consultation between husbands and wives, decisions on food and beverage purchases are generally determined by women. Another important demographic factor to consider is that younger Koreans have a higher propensity to consume western style foods. This is demonstrated by western style fast food and family restaurants catering to the young.

The Monthly Statistics of Korea (August 2001 Issue) shows that the average monthly expenditures on food and beverage in cities in 2000 were 27.4 percent of a family's household consumption expenditures, and are as follows:

Food & Beverage Items	Expenditure	Percent
Cereals and bread	56,700 won ($50.15)	12.7%
Meat	45,000 won ($39.80)	10.1%
Dairy products	19,300 won ($17.07)	4.3%
Fish	32,100 won ($28.39)	7.2%
Vegetables & seaweeds	35,600 won ($31.49)	7.9%
Fruits	27,300 won ($24.15)	6.1%
Oils, fats & seasonings	15,100 won ($13.36)	3.4%
Bakery and confectioneries	17,300 won ($15.30)	3.9%
Tea and soft drinks	10,900 won ($9.64)	2.4%
Alcoholic beverages	5,500 won ($4.86)	1.2%
Other foods	6,200 won ($5.48)	1.4%
Eating out	176,000 won($155.67)	39.4%
Total Expenditure	447,000 won ($395.36)	100.0%

*The average annual exchange rate of Korean won against the US $ in 2000 was 1,130.6 won

Advantages and challenges of U.S. consumer-ready food products.

Advantages	Challenges
Equal or superior quality to domestic and competitor products	U.S. exporters lack knowledge of Korean market
Increasing per capita consumption	Importers lack product awareness and knowledge of product sources
General acceptance and confidence in imported U.S. foods and beverages	Sometimes onerous inspection and customs clearance procedures and requirements
Low tariffs for consumer-ready products	Food safety concerns and GMO issues
Diminishing resistance to imported foods	High marketing costs
Almost all food products are importable	Fequent changes of food regulations

SECTION II. EXPORTER BUSINESS TIPS

A. Local Business Practices - How to do business in Korea

Korea has the reputation of being a very difficult place to do export business. The trade statistics, however, do not support this common notion. Korea is the 4th largest market for the U.S. agricultural and food products. Korea imported about $3.3 billion of food, seafood and agricultural products from the United States in 2000.

U.S. exporters should contact potential importers directly. Sending catalogues, brochures, product samples, and price lists are a helpful way of introducing yourself and your products. ATO Seoul maintains and develops importer lists by commodity. U.S. suppliers and exporters may contact the ATO Seoul for a list of importers.

Once the U.S. supplier or exporter has established contact, it is advisable for the exporter or supplier to visit the importer(s) in person. In Korea the cliches 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.

Another way of finding potential importers is to participate in food shows which showcase your products to a large business audience. Many Korean importers attending these shows are looking to establish reliable long term trading relationships. These shows maximize your contacts with importers, agents, wholesalers, distributors, retailers and others in the food and beverage industry.

The U.S. Food Showcase 2002 sponsored by ATO Seoul is certainly one of the best ways 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., but not general public. This show is normally attended by about 3,000 people from related industries. The show is scheduled to be held in Seoul March 18-19, 2002.

The following are some of business tips U.S. suppliers should keep in mind when they deal with Korean businessmen.

1. Always Have Name Cards. The exchange of name cards is the first item of business. In Korea people seldom call people by their first names. Instead , they call by title, or title and family name. Foreigners can call by Mr. Kim, or President Kim, unless they are asked to be called by their first name.

2. Arrange a Formal Introduction. It is important to have a formal introduction to any person or company with whom you want to do business in Korea. Meeting the right person in a Korean company is almost always dependent on having the right introduction.

3. Ensure your English is completely understood - Many Koreans say “Yes” when they should say “No”, and ”No” instead of “Yes”. For instance, in Korean, won’t you go home? “Yes” here in Korean means “No” in English.

4. Build human relationships - Personal relationships are very important. Koreans would like to maintain long term relationships.

5. American companies also need to be sensitive to the fact that Korea is a unique market. Because a certain approach or a certain product was successful in another market does not mean it will be successful in Korea. It may be necessary to tailor the product's design, packaging and market approach to the Korean situation, requirements and tastes.

6. A final piece of advice on the Korean market is to never take anything for granted. Always be ready for the unexpected. Just because the first container cleared customs does not mean the second one will.

B. General Consumer tastes and Preferences

Consumer tastes and preferences are different depending on the products. Again, the younger generations of Koreans tend to be more amenable to western tastes. General consumers prefer national branded products and the products that have been long recognized in the market. Some of general consumer’s tastes and preferences depending on the products are: Crackers - Korean consumers generally don’t like salty ones but like crispy ones. Biscuits - Koreans don’t like sweet ones. Candy - Koreans don’t like too sweet candies nor mint-flavored ones but like fruit flavored ones and tend to prefer soft candies to hard candies. Sauces - Koreans don’t like fatty, salty, sweet and sour sauces, but like bread baking flavored and hot ones.

Korean consumers also like natural, fresh food without food additives, health food, functional food and low calorie food as per capita income increases. But most important is that the products should be good quality and reasonable prices.

C. Food Standards and regulations

1. There are many laws, regulations, standards and labeling requirements related to imports of agricultural, forestry, fishery and food products in Korea. Please refer to the FAIRS Reports - KS1043 and KS1046.

2. Korean consumers are very sensitive to food safety issues. They have not been educated about food safety and nor they know much about food safety. They generally depend on media and trust it in spite of the media’s often misleading information on food safety issues. Media generally reports the simple residue levels, bacteria count, etc, but not the tolerance levels permitted for each products. Once a “food scare” rumor gets publicity, that food is affected and its reputation damaged quickly.

3. The new GMO labeling requirements for unprocessed corn, soybean and soybeans for sprout implemented in March 2001, and processed corn, soybean and soybeans for sprouting implemented in July 2001 have created some problems with customs clearance. The outbreak of Mad Cow Disease (BSE) in Europe and Japan has resulted in reduced consumption of both domestic and imported red meat, which has been partly replaced with poultry meat.

4. Labeling Standards for Food

All imported food products are required to have Korean language labels. (Korean language stickers may be applied in lieu of Korean language labels. The sticker should not be easily removable and should not cover the original labeling). Labels should contain the following inscriptions printed in letters large enough to be readily legible:

1) Product name
2) Product type
3) Importer's name and address, and the address where products may be returned or exchanged in the event of defects.
4) Manufacturing date, month, and year (for liquor a manufacturing number (lot number) or bottling date can substitute for the manufacturing date)
5) Shelf life
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) The name of the major ingredient followed by names of at least the next four principle ingredients ingredient or raw material (a percent content of the ingredient should be included only when certain ingredients are used in the product name or as a part of the product name)
8) Nutrients (only special nutritional foods, health supplementary foods, products wishing to carry nutritional labels and products wishing to carry a nutrient emphasis mark are subject to nutritional labeling)
9) Other items designated by the detailed labeling standards for food et al. (including cautions and standards for use or preservation)

In addition to the above requirements, country of origin labeling is required on food products.

*There are also several other labeling requirements such as Nutritional Labeling Requirements, Organic Labeling Requirements, Labeling Requirements for Livestock Products, and Labeling Requirements for GMO products, etc. Starting March 1, 2001, mandatory labeling went into effect for three unprocessed GMO commodities - soybean, bean sprout, and corn, if 3 percent or more of the shipment contains biotech-enhanced ingredients. Starting July 13, 2002, mandatory labeling also went into effect for processed GMO commodities - soybean, bean sprout and corn. Please refer to the Food and Agricultural Import Rgulations and Standards (FAIRS) Reports - KS1043 and KS1046 for further detail information.

3. Tariffs

Korea has a book called “Tariff Schedules of Korea” in which there is tariff information on each commodity. The book is more than 1,000 pages long, there are sometimes several tariffs for one commodity and it is a little too complicated to understand which one is currently applied.

4. 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.

a. **Red Meat Products** must be accompanied by :

1). FSIS Form 9060-5, Meat and Poultry Export Certificate of Wholesomeness
2). FSIS Form 9305-3, Certificate for Export of Meat to the Republic of Korea

Processed meat products such as sausages, hamburger patties and ground meat do not need to indicate slaughter information on the FSIS Form 9305-3. These products are required to indicate only processing information.

b. **Poultry Products** must be accompanied by the following two certificates:

1). FSIS Form 9060-5, Meat and Poultry Export Certificate of Wholesomeness
2). FSIS form 9305-2A, Certificate for Export of Poultry Meat to the Republic of Korea

c. **Fresh Fruits, Vegetables and Nuts** (except walnuts) must be accompanied by :

Phytosanitary Certificate, PPQ Form 577, issued by APHIS/USDA.

d. **Frozen/processed Fruits and Vegetables** (not canned) must be accompanied by:

Certificate of Quality and Condition, Form FV-146CS issued by AMS/USDA

e. **Vacuum Packed Shelled Walnuts** must be accompanied by:

Phytosanitary Certificate, PPQ Form 577, issued by APHIS/USDA

f. **Products containing ingredients of ruminant origin** (e.g., beef, lamb, gelatin, etc.): Certification stating that ingredients of ruminant origin did not originate from Europe, issued by the U.S. government, or by a private entity that is notarized by a government agency, relevant organization or local Chamber of Commerce.

g. **Products containing corn or its derivatives** : "StarLink-free Certification" for corn-based food products in a form of a letter, statement, or certificate issued by the manufacturer or the exporter stating the raw corn ingredient was "StarLink-free".

5. Authorized U.S. Laboratories by the Korean Government

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 official laboratories and recognizes inspection certificates or certificates of laboratory test results issued by these authorized official laboratories. As of now, there are two U.S. laboratories that have been authorized as official foreign laboratories by KFDA. They are:

Oregon Department of Agriculture
Export Service Center
Ms. Norma Corristian, Administrator
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

Omic USA Inc.
Mr. Ryuichi Kurosawa, President
1200 NW Natio Parkway
Portland, Oregon 97209
Tel: 503-224-5929 Fax: 503-223-9436

D. General Import and Inspection Procedures

Korea Customs Service (KCS), KFDA, National Quarantine Office (for ports that do not have KFDA regional offices), National Veterinary Research & Quarantine Service and National Plant Quarantine Service are the agencies involved in the import clearance process. Imports of agricultural products generally must receive clearance from several organizations and are thus much more likely to run into port delays than other imported products. These delays can be costly due to the perishable nature of many agricultural products. In addition to these organizations, there are many other agencies that are 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 the EDI system (Electronic Data Interchange System) 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 of KCS. This permits results of the KFDA inspection to be transmitted through the EDI system, once the inspection is completed. Such connection enables KCS to reduce the clearance time. Products subject to plant quarantine inspection and animal quarantine inspection must be cleared by the respective quarantine inspection authorities before KCS clears customs.

E. Korea Food & Drug Administration (KFDA) Import Procedures

1. The importer or the importer's representative submits the 'Import Declaration for Food, etc.'

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 that a given food product may be subject to are: Document Inspection, Organoleptical Inspection, Laboratory Inspection, and Random Sampling

Examination

3. If a product is subject to organoleptical inspection, laboratory inspection and random sampling examination, 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. An importer can clear products 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 non-edible 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 vegetable, fruits, etc., an importer can clear the products prior to completion of the laboratory test with a pre-certificate for import report issued by KFDA. However, in this case, the importer should be able to track down the distribution of the given product so he/she can recall the products, in case the laboratory test indicates a violation.

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.

On May 15, 2000, KFDA issued the 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 authorized inspection organization other than regional KFDA office or National Quarantine Services. Detailed information is available from the KFDA's English website - http://www.kfda.go.kr

F. Documents Generally Required for Customs Clearance and Inspections

1. Invoice
2. Bill of Lading, or Airway Bill
3. Packing List
4. Certificate of Origin (If there is "Made in USA" on English label, not required)
5. Ingredient List by 100 percentage
6. Processing Method
7. Certificate of Production Date

8. Packing Material (not required for bottles, cans and paper packages)
9. Non-GMO certification (for corn and soybeans)
10. Sanitary certificate (for meat, fruit, nuts, vegetables, plants, grains, etc.)

SECTION III. MARKET SECTOR STRUCTURE AND TRENDS

In case of the retail sector, U.S. suppliers should try to contact importers to export their products because few retailers import food and agricultural products directly from foreign suppliers. In the case of the HRI sector, hotels and restaurants purchase imported food products through the Korea Tourist Supply Center, importers, distributors and/or import directly from overseas suppliers. In case of food processing sector, food processors normally import large volume of ingredients or grains directly, and generally purchase small volume of ingredients from importers and/or trading agents.

A. Retail Food Sector

There are several types of retailers who handle foods and agricultural products. They are: general marketplace (conventional open air markets), periodic marketplaces in rural areas (normally opens once every 5 days), department stores/shopping centers, supermarkets (super chain companies and several thousand independent small supermarkets and outlets), convenience stores, Mom & Pop Stores, National Agricultural, Fishery and Livestock Cooperative Federation Stores and discount stores or membership warehouse type stores.

Of greatest interest are department stores, supermarkets, convenience stores and discount stores. Most retailers purchase imported food products from importers and/or wholesalers. Few retailers import food products directly from overseas suppliers.

1. Department Stores/Shopping Centers. According to the Korea Chamber of Commerce and Industry's (KCCI) Analysis of the Trend of Retail Business in 2000 (issued in June 2001), the average annual sales per store of 101 department stores/shopping centers surveyed by the KCCI increased by 20.1 percent to 169.3 billion won (average annual exchange rate: 1,130.6 won/US$) in 2000 from 141 billion won in 1999, thanks to the good performance of Korean economy in 2000. Of the sales food and beverage accounted for 15.7 percent in 2000.

2. Supermarkets. The KCCI report revealed that the average annual sales of each supermarket outlet of 1,140 supermarkets in seven major cities in Korea surveyed by the KCCI also increased by 8.6 percent to 2.16 billion won (average annual exchange rate: 1,130,6 won/US$) in 2000 from 1.99 billion won in 1999. Of the average annual sales per outlet, food sales accounted for 78.9 percent and the remaining 21.1 percent was non-food items.

3. Convenience Stores. According to the KCCI report, there were 2,646 convenience stores of the 7 largest convenience store companies in 2000. The total sales of these 7 convenience store companies totaled 1,244.3 billion won (average annual exchange rate: 1,130.6 won/US$) in 2000 compared to 861 billion won in 1999, and the average annual sales per store was 537 million won in 2000 from 484.3 million won in 1999. Of the total sales, food and beverage sales accounted for 64.6 percent in

2000 compared to 58.4 percent in 1999.

4. Discount Stores. This is the fastest growing sector of the industry. The average annual sales of each discount store of 123 surveyed by the KCCI amounted to 84.9 billion won (average annual exchange rate: 1,130.6 won/US$) in 2000 from 74 billion won in 1999. Of the average annual sales per store, food and beverage accounted for 58.6 percent. Of the average annual sales of each discount store, imported goods including food accounted for 8.1 percent in 2000 compared to 5.1 percent in 1999. Of imported goods, imported food accounted for 49.5 percent.

B. Hotel, Restaurant and Institutional Industry

A separate report on the hotel, restaurant and institutional industry in Korea is available. Please refer to KS0093.

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 is constrained by a lack of arable land, and 70 percent of Korea's food products are imported. The continued depletion of farmland in Korea may lead to serious food shortages in the future. Records show that farmland has been shrinking at a rate of 30,000 ha. per year. At the current rate, total farmland would be 850,000 ha. by the year 2028, about half the current total. The main reason for the loss of farmland is the ongoing urbanization of rural areas.

Except for rice which has a large surplus, Korea imports a large number of agricultural products for processing. Corn, soybeans, wheat, essential oils, frozen concentrated orange juice, turkey meat, duck meat, almonds, walnuts, powdered milk and beef tallow are good examples of 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 Report on Mining and Manufacturing Survey published in December 2000 shows total output of the Korean food, dairy, livestock and beverage manufacturing sector in 1999 (Statistics for 2000 are not available) was $30.5 billion, of which the livestock, fruit, vegetable and fat processing sector accounted for about 22.3 percent (about $6.8 billion), dairy processing accounted for 9.5 percent (about $2.9 billion), grain/starch/feed manufacturing sector accounted for 23.6 percent (about $7.2 billion), beverage sector accounted for 17.7 percent (about $5.4 billion) and other food processing sector including bakery and candy accounted for 26.6 percent (about $8.1 billion). The average annual exchange rate of won against the US dollar in 1999 was 1,189.5 won.

Most Korean food and beverage manufacturers are small scale companies. According to the same report above, as of the end of 1999, there were 6,364 food, livestock, dairy and beverage manufacturing plants with a labor force of five or more nationwide. Of these there are only 24 manufacturers with 500 employees or over as shown on the following table. Only 4.8 percent (305 manufacturers) have 100 or more employees.

Employment Size of Food and Beverage Manufacturers (1999)

No. of Employees	No. of Manufacturers	No. of Employees	No. of Manufacturers
5 - 9	3,034	200-299	64
10- 19	1,510	300-499	32
20- 49	1,121	500 and over	24
50- 99	394		
100-199	185	Total	6,364

D. Trends in Tourism Sales, Holiday Sales and Internet Sales

The Korea-Japan World Cup games will be held in Korea starting in May 2002 and the Asian Games will be held in Pusan, Korea in September 2002. There will be many travelers in Korea next year in order to watch these two games. We believe these two events will provide good opportunities for U.S. food suppliers as experienced from the Seoul Olympic games in 1988. Hotels and restaurants are good places for these travelers to enjoy a wide variety of imported foods as well as local foods.

There are two big holidays in Korea, one is 3 day Chusok (Korean version of Thanksgiving Day) holiday in early October this year, the other is 3 day Lunar New Year Holiday in February next year. During these holidays, many Koreans give gifts to their relatives, friends and business partners. Beef ribs, fruits, and other high value food products are some of the gifts that are popular during these holidays.

Communication sales are still small, but are becoming popular and increasing very rapidly. The Analysis of the Trend of Retail Business 2000 published in June 2001 shows the following:

Million Won

Section	1999	2000	Percentage Change
Broadcasting Media(TV)	65,827	123,623	87.8%
Catalog Sales	16,373	32,288	97.2%
Internet Shopping Mall	4,229	9,689	129.1%

*The current exchange is about 1,280 won against US dollar.
*Food items including health food accounted for about 11 percent of the above sales.

SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS

1. Red Meat
2. Poultry Meat
3. Seafood

9. Sauces
10. Coffee
11. Confectionery

4. Dairy Products
5. Citrus
6. Processed potatoes
7. Frozen vegetables
8. Tree nuts
12. Processed fruits and vegetables
13. Bakery products
14. Wine
15. Pet food
16. Beef offals/guts/stomachs

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

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

Agricultural Trade Office
U.S. Embassy, Seoul, Korea
Room 303, Leema Building
146-1, Susong-dong, Chongro-ku
Seoul, Korea
Phone: 82-2-397-4188 Fax: 82-2-720-7921
E-mail: atoseoul@fas.usda.gov
Home Page: www.atoseoul.com

EXPORTER GUIDE
APPENDIX I. STATISTICS

A. KEY TRADE & DEMOGRAPHIC INFORMATION

Agricultural Imports From All Countries ($Mil) / U.S. Market Share (%) 1/	11,598/28
Consumer Food Imports From All Countries ($Mil) / U.S. Market Share (%) 1/	2,871/40
Edible Fishery Imports From All Countries ($Mil) / U.S. Market Share (%) 1/	1,338/10
Total Population (Millions) / Annual Growth Rae (%)	46/ 0.9
Urban Population (Millions) / Annual Growth Rate (%) 2/	35/1.7
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) 5/	9,628
Unemployment Rate (%)	4.1
Per Capita Food Expenditures (U.S. Dollars) 6/	$395
Percent of Female Population Employed 7/	45

Exchange Rate (US$1 = Korean won) 8/	1,130.6

All data are for 2000 unless otherwise noted.

Food Notes

1/ Korea Trade Information Service compiled by ATO Seoul
2/ Urban population in 1995 and average growth rate over the past 5 years
3/ Population in excess of 1,000,000
4/ Official data is not available
5/ Per capita Gross National Income-preliminary, GDP is not available
6/ Average monthly household expenditures on food and beverage in cities
7/ Percent against total number of women (15 years old or above)
8/ Average annual exchange rate of won against the U.S. dollar in 2000

B. CONSUMER FOOD & EDIBLE FISHERY PRODUCT IMPORTS

1. CONSUMER-ORIENTED AGRICULTURAL TOTAL - 400

Reporting Country: Korea, Republic of	Import		
	1998	1999	2000
	1000$	1000$	1000$
United States	482,952	748,056	NA
World	1,403,787	2,080,143	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

2. FISH & SEAFOOD PRODUCTS - 700

Reporting Country: Korea, Republic of	Import		
	1998	1999	2000
	1000$	1000$	1000$
United States	77,968	122,073	NA
World	538,856	1,114,952	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

UNTrade Database for CY 2000 is not available as of now. Please contact ATO Seoul for further information.

C. TOP 15 SUPPLIERS OF CONSUMER FOODS AND EDIBLE FISHERY PRODUCTS

1. CONSUMER-ORIENTED AGRICULTURAL TOTAL - 400

Reporting Country: Korea, Republic of Top 15 Ranking	Import		
	1998	1999	2000
	1000$	1000$	1000 $
United States	482,952	748,056	0
Australia	110,868	214,108	0
China(Peoples Republic of)	158,097	210,553	0
Philippines	57,404	97,610	0
Denmark	90,211	89,679	0
Netherlands	53,510	82,731	0
New Zealand	60,736	79,170	0
Canada	35,533	76,908	0
France	33,569	67,015	0
Japan	39,023	60,681	0
Brazil	32,310	44,194	0
Thailand	45,354	33,678	0
Germany	24,926	26,364	0
Belgium	0	22,776	0
Vietnam	11,182	22,570	0
Other	168,101	204,020	0
World	1,403,787	2,080,143	0

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

2. FISH & SEAFOOD PRODUCTS - 700

Reporting Country: Korea, Republic of Top 15 Ranking	Import		
	1998	1999	2000
	1000$	1000$	1000 $
China (People Republic of)	191,954	407,576	NA
Russian Federation	94,968	200,187	NA
United States	77,968	122,073	NA
Japan	28,040	88,615	NA
Thailand	24,568	42,904	NA
Vietnam	11,386	39,503	NA
Indonesia	15,210	21,049	NA
Taiwan (Estimated)	5,062	20,908	NA
Canada	6,361	18,841	NA
Mexico	4,060	15,249	NA
New Zealand	7,615	14,558	NA
Hong Kong	2,973	12,089	NA
Norway	6,504	11,924	NA
Argentina	11,539	10,567	NA

Spain	2,477	9,549	NA
Other	48,163	79,355	NA
World	538,856	1,114,952	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

UNTrade Database for CY 2000 is not available as of now. Please contact ATO Seoul for further information.