

Required Report: Required - Public Distribution

Date: April 04, 2025

Report Number: KS2025-0014

Report Name: Grain and Feed Annual

Country: Korea - Republic of

Post: Seoul

Report Category: Grain and Feed

Prepared By: Yoona Jeon

Approved By: Shoshana Griffith

Report Highlights:

While per capita grain consumption in Korea remains steady, or declining in the case of rice, increased manufacturing of K-food for exports drives total consumption, offsetting decreases in other sectors. Ramen exports hit a record high in CY 2024, boosting wheat use for food processing and encouraging expansion in ramen production capacity. Although total rice consumption is declining, rising demand for manufacturing rice products, such as frozen kimbap for export, partially offsets the decrease. The Korean government faces backlash over its mandatory rice acreage reduction plan. The U.S. is expected to regain around 30 percent of the imported corn market share in MY 2024/25, though this is still below the 30-40 percent share seen until MY 2020/21.

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Executive Summary

Wheat

Wheat production continues to increase gradually as the Korean government subsidizes planting of alternative crops, moving away from rice. However, FAS Seoul expects MY 2025/26 production to fall significantly below the national target due to unfavorable weather conditions during the winter wheat planting and growing seasons. The ambitious government target of 5 percent milling wheat self-sufficiency by 2025 is difficult to achieve in the short term.

Korean instant noodle (ramen) and bakery exports have boosted milling wheat demand for food processing. Ramen exports hit a record high in CY 2024, up 31 percent in value from the previous year. Major ramen manufacturers plan to expand production capacity, likely increasing wheat consumption accordingly.

Corn

Korea depends on imports for 99 percent of its corn consumption, which will remain flat at 11.5 million MT in MY 2025/26. The United States has returned as a major supplier of corn, with MY 2024/25 market share on track to exceed 25 percent based on imports for the first 4 months of the marketing year and purchase records from local industries. The recovery in U.S. corn market share since 2024 is primarily due to abundant U.S. supplies at competitive prices, helped by the resolution of a pesticide residue issue affecting food use corn in fall 2023.

Rice

The Korean government continues to incentivize rice acreage reductions by subsidizing farmers to switch to other crops. This year, the Ministry of Agriculture, Food and Rural Affairs (MAFRA) introduced a plan allocating the national rice acreage reduction target to local governments. This aligns with the national trend of declining rice consumption, with per capita table rice consumption hitting another record low in CY 2024. However, rice consumption for processing is increasing due to the popularity of K-foods like stir fried rice cakes (*tteokbokki*) and kimbap.

Rice imports remain stable under the WTO tariff rate quota (TRQ) scheme, which requires Korea to import 408,000 MT of rice annually at 5 percent duty. However, sales of U.S. table rice have faced challenges due to the prolonged suspension of weekly auctions by the Korea Agro-Fisheries & Food Trade Corporation (aT) since November 2023. In contrast, auctions are ongoing for table rice imported from other countries under the 2024 WTO TRQ.

Feed Market

The compound feed market in Korea is mature, with stable annual demand that can vary slightly depending on animal inventories. In 2025, an increase in swine and poultry will offset a decline in cattle numbers, keeping total compound feed demand similar to last year. Corn is the primary ingredient in compound feed production, accounting for about 65 percent, followed by soybean meal, wheat, and distillers dried grains and solubles (DDGS). Feed wheat consumption fluctuates based on the price gap with feed corn. With the two prices almost converging, some buyers may switch to feed wheat in 2025 if it becomes more cost competitive than feed corn.

Table 1
Major Feed Grains for Compound Feed Production

Feed Ingredients Use for Compound Feed Production					
(1,000 Metric Tons, Marketing Year (October to September))					
Items		MY 2021/22	MY 2022/23	MY 2023/24	MY 2024/25
		Total	Total	Total	<u>From Oct.</u> <u>to Dec.</u>
Grains and Grain Substitutes	Corn	8,989	9,279	9,265	2,444
	Wheat	2,189	1,797	2,031	436
	Rice	3	52	339	108
	Others	2,544	2,382	2,474	685
	Sub-Total	13,725	13,512	14,110	3,674
Vegetable Protein	Soybean Meal ^{1/}	2,249	2,023	2,087	561
	Palm Kernel Meal	953	1,008	984	233
	DDGS	1,070	1,093	1,245	361
	Others	1,089	1,356	1,208	273
	Sub-Total	5,361	5,479	5,524	1,428
Animal Protein	Sub-Total	217	211	220	123
Others	Sub-Total	2,167	2,216	2,218	579
Grand Total		21,470	21,418	22,072	5,804

Source: Korea Feed Association (KFA)

Table 2
Quarterly Animal Inventory by Species

Animal Inventory					
(1,000 Head, 1,000 Birds)					
Species	Year	March	June	September	December
Beef Cattle	2023	3,749	3,749	3,753	3,648
	2024	3,527	3,615	3,541	3,474
Dairy Cattle	2023	385	383	386	387
	2024	382	378	379	381
Swine	2023	11,111	11,108	11,398	11,089
	2024	10,993	11,061	11,182	10,846
Layers	2023	73,684	75,189	76,126	77,202
	2024	76,032	78,225	80,544	79,003
Broilers	2023	88,852	110,869	89,854	94,115
	2024	93,822	112,231	85,737	88,975

Source: Statistics Korea (KOSTAT)

Note: Inventory is recorded on the 1st of the month

Wheat

Wheat Production

Post Seoul forecasts that wheat production for MY 2025/26 (July 1-June 30) will continue to grow gradually due to government incentives encouraging the substitution of rice acreage with other crops. The Korean government does not include wheat acreage decisions in early-season crop planting surveys. Therefore, there are no official data sources on wheat planted area. The current forecast for 60,000 MT total production represents about half of the government's long-term goal of achieving a 5 percent self-sufficiency rate for milling wheat by 2025. This shortfall is primarily due to low interest from farmers, driven by uncertainties in domestic wheat demand. Until Korean wheat can compete with imports and establish dedicated marketing channels, it will be difficult to meet the government's self-sufficiency target.

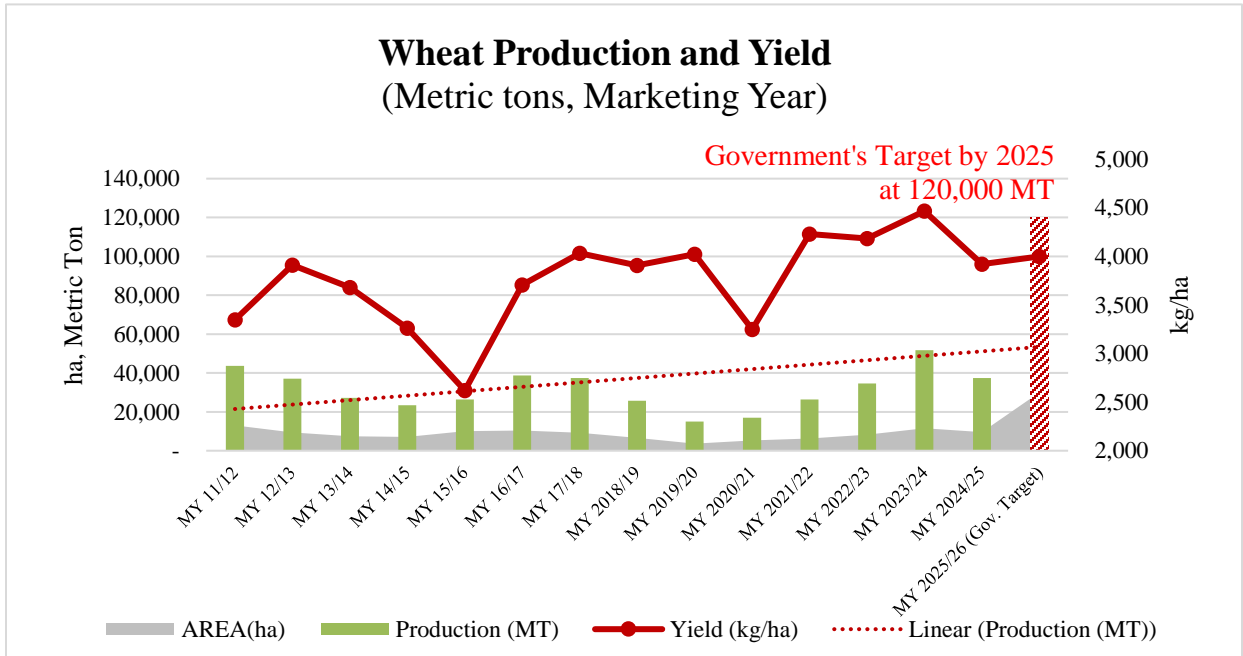
Typically, wheat planting in Korea is completed by the end of November. However, excessive rainfall from October to November delayed winter wheat planting in Jeolla Province, the primary producing region, resulting in poor wheat growth for MY 2025/26. Additionally, February's temperatures were more than 5°C below the previous year's average, further deteriorating crop quality. In the short term, domestic wheat is likely to account for no more than 2 percent of food wheat consumption, with no significant year-over-year volume changes expected.

Recognizing industry concerns over limited demand for domestic wheat, the Ministry of Agriculture, Food, and Rural Affairs (MAFRA) announced plans to increase government purchases to 30,000 MT this year. The government typically sets its purchase volume at 25 percent of total domestic production to prevent oversupplies. Last year, the government purchased only 17,000 MT, falling short of the initial plan of 24,000 MT due to decreased production caused by unfavorable weather, heavy rainfall, and low temperatures.

Local media outlets have raised doubts about the feasibility of both production and purchase targets, citing 2025 budget cuts that set the government purchase price 11 percent lower than the previous guaranteed price. In February 2025, MAFRA explained in a press release that it would negotiate the final price with the producers' association for new crops, as it has done in previous years. Additionally, the Ministry announced support worth a total of 9.9 billion Korean Won (KRW, equivalent to \$7 million) to about 60 companies for research and development of new products utilizing domestic grains (19 for wheat, 21 for soybeans, and 26 for rice flour).

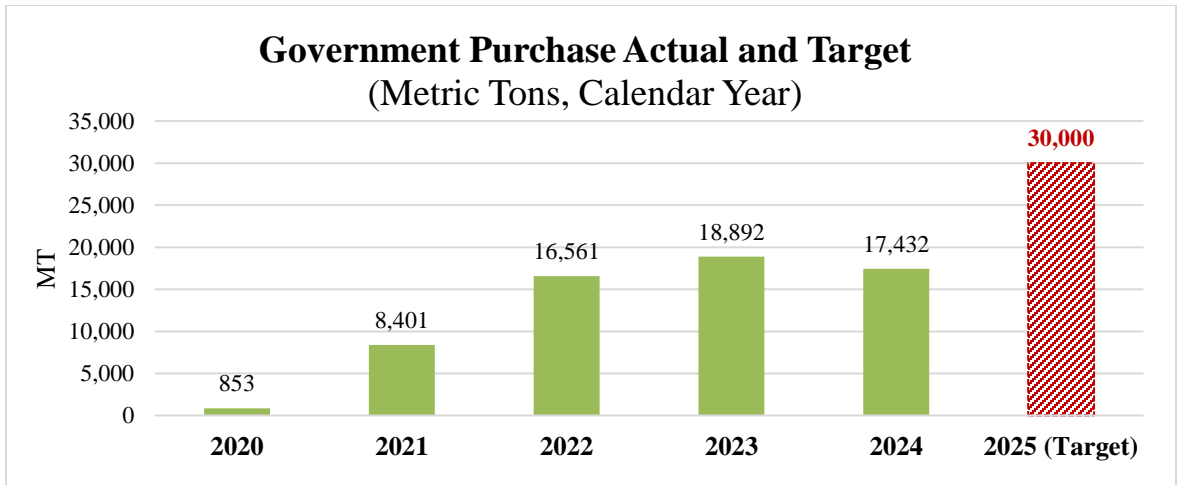
Post has revised MY 2024/25 planted area and production downward based on official data released by Statistics Korea (KOSTAT). Production in MY 2024/25 significantly declined to 37,000 MT from 52,000 MT in the previous year, which was the highest level since 1983. Heavy rains in November 2023 delayed the MY 2024/25 winter wheat planting. Subsequent damage from excess moisture and pests from December 2023 through February 2024 further deteriorated the crop yield.

Figure 1
Wheat Production Lags behind Government Targets



Source: Ministry of Agriculture, Food, and Rural Affairs (MAFRA), Statistics Korea (KOSTAT)
Note: The production in MY 2025/26 is based on the government's target

Figure 2
Government Wheat Purchases and Commitments

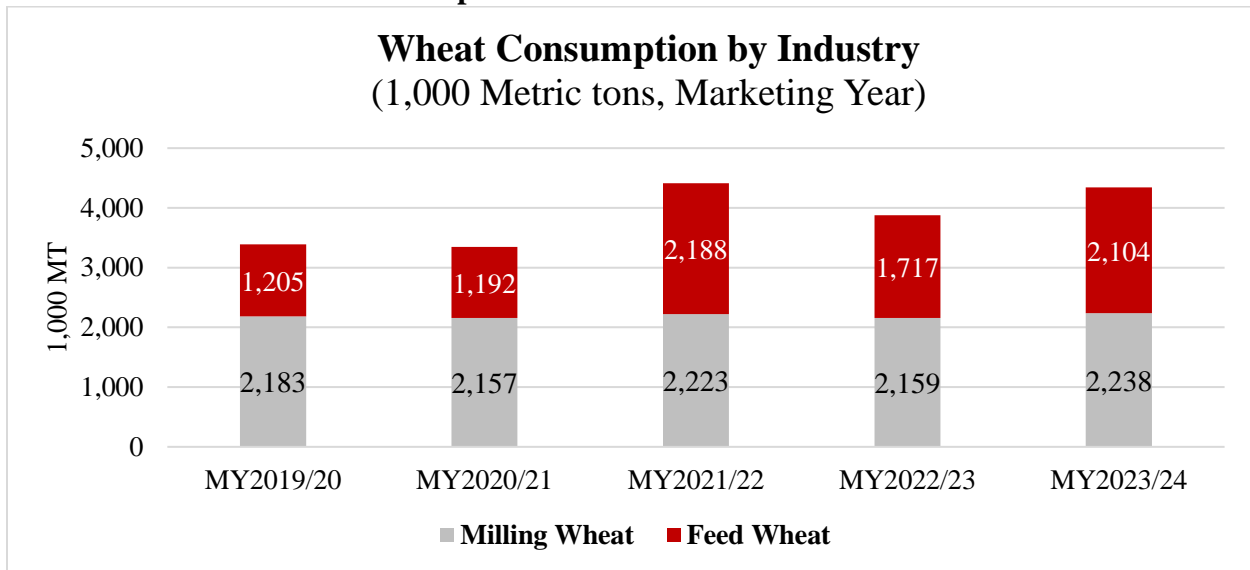


Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

Wheat Consumption

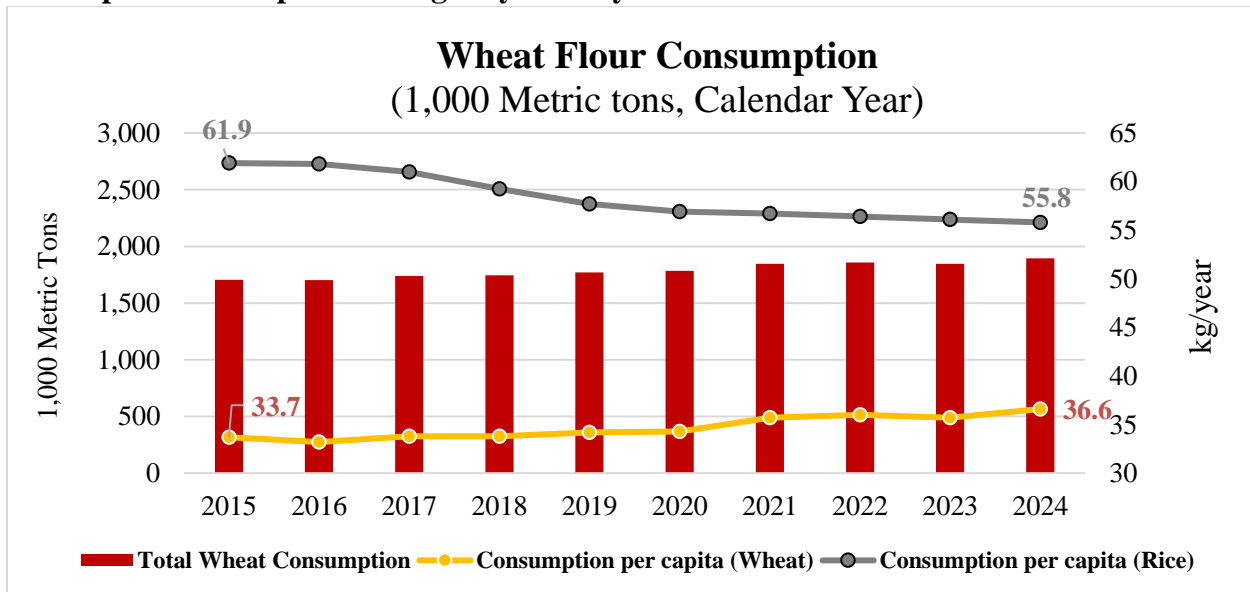
Post Seoul forecasts that total wheat consumption in MY 2025/26 will remain around 4.4 MMT, reflecting annual fluctuations in feed wheat consumption. These variations depend on the relative price of feed wheat's substitute, feed corn.

Figure 3
Feed Wheat Determines Consumption Variation



Sources: Korea Feed Association (KFA), Korea Flour Mills Industrial Association (KOFMIA)
Note: Milling wheat use includes imported wheat flour, and excludes wheat for export and feed use.

Figure 4
Per Capita Consumption Changes by Item by Year



Sources: Korea Flour Mills Industrial Association; Ministry of Agriculture, Food and Rural Affairs

Milling Wheat

Demand for wheat-based foods has driven per capita consumption of food, seed, and industrial (FSI) wheat to gradually increase by about 1 percent annually over the past 10 years. Strong milling wheat demand comes from a growing preference for western-style snacks and treats, such as bread and pastries, which can be consumed quickly on the go, rather than traditional Korean rice-based meals. Per capita consumption of FSI wheat was 33.7 kg in CY 2015 and exceeded 36 kg for the first time in history in CY 2024.

Feed Wheat

Post Seoul forecasts that feed wheat consumption in MY 2025/26 will return to normal levels after a relative decline in MY 2024/25 due to competitive feed corn prices. Industry-reported feed ingredient inclusion rates for compound feed production showed a significant decline in feed wheat use during the first 6 months of MY 2024/25, down 24 percent below MY 2023/24 levels. This decline resulted from substitution with more competitively priced feed corn, which led to decreased imports of feed wheat during the same period.

Wheat Trade

Post Seoul forecasts that total wheat imports for MY 2025/26 will recover to near-normal levels at 4.9 MMT (including flour and pasta imports on a wheat equivalent basis), reflecting an expectation for consumption to return to average from the previous year. The forecast considers several factors, such as a gradual increase in demand for milling wheat due to a westernized diet substituting traditional rice consumption, and rising demand for wheat-based K-food exports worldwide.

Milling Wheat

Post Seoul forecasts that MY 2025/26 milling wheat imports will increase by 3 percent from the previous year, driven by rising noodle and bakery exports and new ramen production facilities scheduled to open in MY 2025/26. Manufacturers use imported wheat flour for ramen, with approximately 60 percent from the United States – Hard Red Winter (HRW), Hard Red Spring (HRS), and Soft White (SW) varieties – and 40 percent Australian Standard White Wheat (ASW). The main destinations for Korean ramen exports are China and the United States, followed by the Netherlands, Japan, the Philippines, and others.

Korean buyers have long sourced milling wheat from the United States, Australia, and Canada due to the consistent value and quality of these origins. Customer preferences in the baking and food processing sectors align with specific types of wheat for different end products, such as cakes, bread, and noodles. To ensure food security through diversification, domestic milling wheat companies have been exploring the feasibility of wheat from other origins, particularly European countries. However, given the long-standing stable supplies from primary origins and uncertainties with new sources, companies are reluctant to pioneer the use of new origins. As a result, the market share of the United States, Australia, and Canada is likely to remain stable.

Table 3
Imports of Milling Wheat by Country

Imports of Milling Wheat by Country (Metric Ton, Marketing Year)				
Country	Total	First 7 months (Jul. to Jan.)		
	MY 2023/24	MY 2023/24	MY 2024/25	Change (Percent)
United States (Percent of)	1,240,409 47	701,143 46	681,111 45	-3 -1 %p
Australia	1,176,410	697,203	697,840	0
Canada	206,452	134,656	147,156	9
Others	6,076	2,554	2,511	-2
World	2,629,347	1,535,556	1,528,618	0

Source: Korea Customs Service (KCS)

Feed Wheat

Generally, feed wheat and corn are substitute products, with their shares trading off based on price competitiveness in the Korean market for compound feed ingredients.

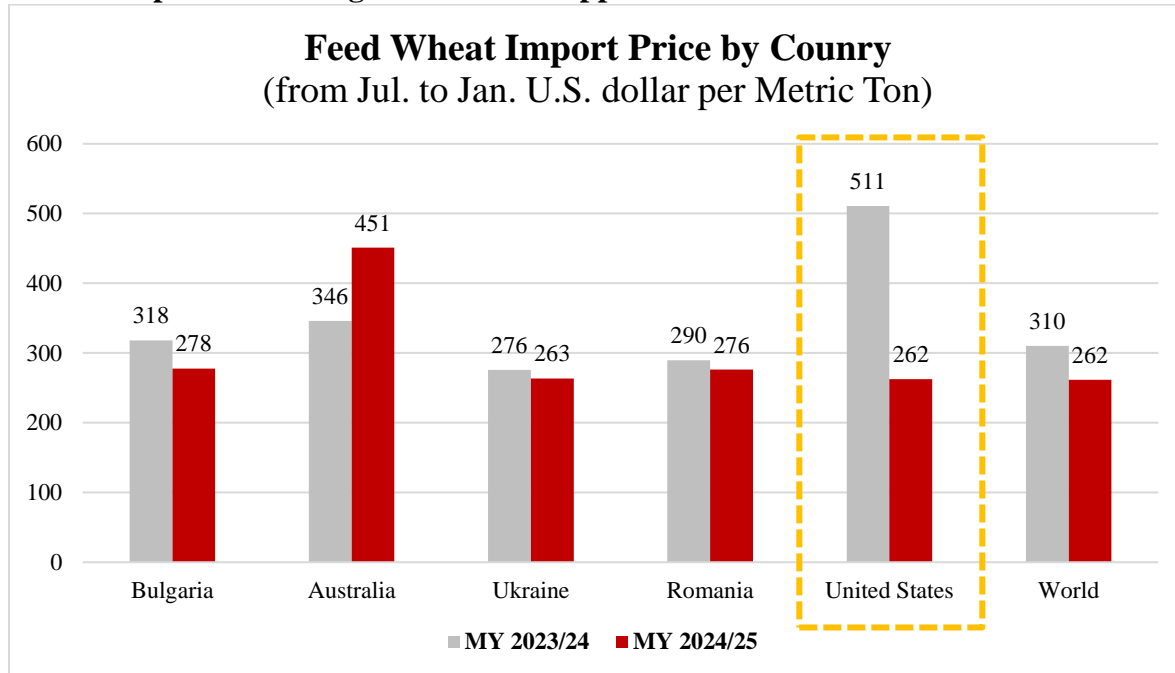
As Korean feed wheat buyers are price-conscious, the country of origin varies each year depending on export prices from suppliers. Eastern Europe and Australia were the main suppliers in recent years, but Australian feed wheat availability has diminished due to lower exportable quantities in the feed wheat grade. As a result, U.S. feed wheat imports in the first seven months of MY 2024/25 jumped to 500,000 MT, driven by price competitiveness and logistical advantages over other origins. Ocean freight shipments of U.S. wheat to Korea, which originate mostly from the Pacific Northwest (PNW), take only 20 days, compared to 30 days from Eastern Europe and 40 days or more from South America.

Table 4
Imports of Feed Wheat by Country

Imports of Feed Wheat by Country (Metric Ton, Marketing Year)				
Country	Total	First 7 months (Jul. to Jan.)		
	MY 2023/24	MY 2023/24	MY 2024/25	Change (Percent)
Bulgaria	462,398	344,692	101,187	-71
Australia	412,437	411,637	1,440	-100
Ukraine	681,780	180,020	81,991	-54
Romania	197,305	131,110	208	-100
United States (Percent of)	2,086 0.1	1,586 0.1	475,743 52.2	29,896 52 %p
Russia	71,609	49,896	70,605	42
Others	310,763	171,268	180,667	5
World	2,138,378	1,290,209	911,841	-29

Source: Korea Customs Service (KCS)

Figure 5
Price Comparison Among Feed Wheat Suppliers



Source: Korea Customs Service (KCS)

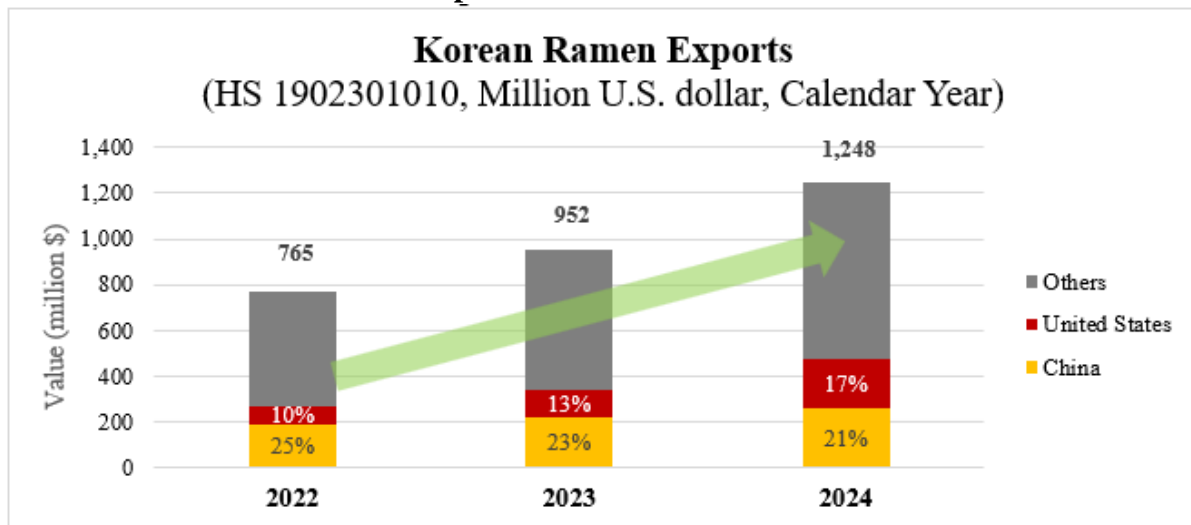
Flour Trade

Post Seoul forecasts that use of wheat flour to produce export-oriented processed foods will continue to grow steadily over the coming years. Ramen noodles are the primary sector driving demand growth for imported flour, as ramen manufacturers still rely mainly on domestic production plants to supply export markets. According to a MAFRA press release, “K-Food Plus” exports hit an all-time high of \$13 billion in CY 2024, which includes agricultural products and related industries ([MAFRA press release from January 7, 2025](#), in Korean). Ramen exports accounted for \$1.2 billion last year, with rapid increases from China, the United States, and other countries. The United States surpassed China as Korea’s largest agricultural export market, driven by 70 percent growth in ramen sales. The number of countries with export values exceeding \$20 million reached 15 worldwide.

Two local ramen manufacturers, Nongshim and Samyang Foods, have accelerated exports by building new domestic and overseas plants. They expect to increase their annual domestic production capacity by 20 percent from 2024 to 2026. In 2024, Nongshim, the top ramen company in Korea, announced plans to build a new export-only plant in Busan to double its annual export production capacity from 500 million to 1 billion packs, aiming to begin operations in 2026. The company currently produces a total of 3.8 billion packs of ramen annually in several domestic production plants, with an additional 1.7 billion packs produced in the United States and China.

To meet increasing global demand for its popular “Buldak Bokkeummyeon” (spicy fried noodles), Samyang Foods announced plans to build a new facility in Miryang, Korea, to begin production in June 2025, and another new plant in China, expected to be completed by 2027. Unlike Nongshim, which operates manufacturing plants in the United States and China, Samyang has relied on local production sites for both domestic and international sales.

Figure 6
Instant Noodles Lead K-Food Exports



Sources: Korea Customs Service (KCS); HS Code: 1902301010

Stocks

Korean wheat buyers have adopted joint purchasing among neighboring companies at each discharging location – Incheon and Busan (combined) and Pyeongtaek ports – to streamline inventory operations, prevent overstocks, and optimize ocean freight costs for each wheat variety. As a result, they tend to purchase wheat at a stable monthly pace and store no more than 2-3 months' supply in their warehouses. Consequently, FAS Seoul estimates that yearly stocks will generally not exceed 1.5 MMT.

Domestic wheat stocks, managed by the government, have been rising as domestic wheat production increases. The total volume remains limited due to the small scale.

Tariffs

In late December 2024, the Ministry of Economy and Finance (MOEF) released the adjusted tariffs and autonomous tariff rate quota (TRQ) schedule for CY 2025. Once again, MOEF excluded milling wheat from the list of autonomous TRQs, leaving all milling wheat subject to the out-of-quota duty rate of 1.8 percent. In contrast, the feed wheat TRQ and corresponding duty were eliminated in 2007. However, under the United States-Korea Free Trade Agreement (KORUS), import tariffs on all U.S. wheat, both milling and feed wheat, are zero. In addition to the United States, major wheat suppliers Canada, Australia, and the European Union also enjoy duty-free access through their free trade agreements with Korea.

The base tariff rate on wheat flour is 3 percent. Under the KORUS FTA, import tariffs on U.S. wheat flour (H.S. 1101.00.1000) were phased out over a five-year period, reaching zero in 2016. Tariffs under KORUS for meslin flour (H.S. 1101.00.2000), a mixture of rye and wheat flour, immediately fell to zero in 2012.

Table 5
Tariff Rate for Wheat Products

Base Tariff and Applied Tariff Rate for Wheat (Percent, As of CY 2025)						
Commodity	H.S. Code	Base	Autonomous TRQ	WTO TRQ		KORUS FTA
				In-quota	Out-of-quota	
Durum Wheat, Seed	1001.11.0000	3	N/A	9		0
Durum Wheat, Other	1001.19.0000					
Seed, Meslins	1001.91.1000					
Seed, Other	1001.91.9000	1.8		1.8		
Feeding, Meslins	1001.99.1010	3		9		
Feeding, Other	1001.99.1090	0		1.8		
Milling, Meslins	1001.99.2010	3		9		
Milling, Other	1001.99.2090	1.8		1.8		
Others, Meslins	1001.99.9010	3		9		
Others, Other	1001.99.9090	1.8		1.8		
Wheat Flour	1101.00.1000	3		4.2		

Source: Customs Law Information Portal (CLIP) under Korea Customs

Note: If separate in-quota/out-of-quota duty rates are specified for an item under the WTO TRQ, then they take precedence over other duty rates except the autonomous TRQ and FTA preferential duty rates. Otherwise, the lowest tariff rate will be prioritized. Only designated government entities for each item have authorization to apply in-quota rates under WTO TRQs. Autonomous rate tariffs are flexibly determined by the government based on domestic market conditions, such as the need to facilitate imports to ensure supplies, to stabilize domestic prices, or to correct imbalances in tax rates among similar products. Autonomous TRQs take precedence over WTO TRQs.

**Table 6
Production, Supply and Distribution**

Wheat Market Year Begins	2023/2024		2024/2025		2025/2026	
	Jul 2023		Jul 2024		Jul 2025	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	12	12	14	10	0	15
Beginning Stocks (1000 MT)	1618	1618	1889	1379	0	1183
Production (1000 MT)	52	52	60	37	0	60
MY Imports (1000 MT)	4990	4768	4400	4550	0	4920
TY Imports (1000 MT)	4990	4768	4400	4550	0	4920
Total Supply (1000 MT)	6660	6438	6349	5966	0	6163
MY Exports (1000 MT)	501	501	510	559	0	610
TY Exports (1000 MT)	501	501	510	559	0	610
Feed and Residual (1000 MT)	1820	2104	1500	1700	0	1800
FSI Consumption (1000 MT)	2450	2454	2500	2524	0	2580
Total Consumption (1000 MT)	4270	4558	4000	4224	0	4380
Ending Stocks (1000 MT)	1889	1379	1839	1183	0	1173
Total Distribution (1000 MT)	6660	6438	6349	5966	0	6163
Yield (MT/HA)	4.3333	4.3333	4.2857	3.7	0	4

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2025/2026 = July 2025 - June 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Note: Official USDA data is based on the March 2025 WASDE data

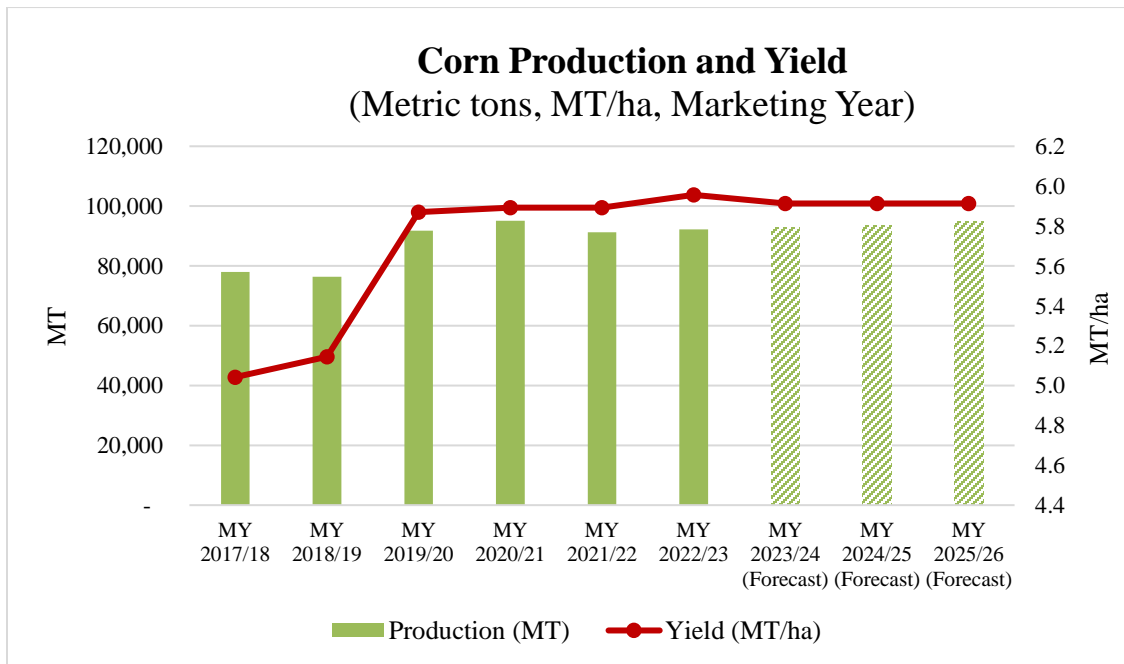
Corn

Corn Production

Korea has limited domestic corn production, with no significant year-over-year changes, accounting for less than 1 percent of total consumption. Post Seoul forecasts that MY 2025/26 (October 1-September 30) corn production will be 95,000 MT, a marginal increase due to expanded planted area. This falls short of the government's long-term target of achieving 2 percent self-sufficiency in food corn by 2027.

Since 2024, corn has been one of the target crops under the government's rice substitution policy, which offers 1 million KRW per hectare (\$715/ha) for farmers who substitute rice acreage with corn. However, the expansion of corn production is expected to remain slow, with a limited annual growth rate of 1 percent in MY 2024/25 and MY 2025/26. Compared to other alternative crops incentivized by the program, farmers and industry buyers have shown limited interest in boosting domestic corn production.

Figure 7
Corn Production in Korea



Source: Ministry of Agriculture, Food, and Rural Affairs (MAFRA), Statistics Korea (KOSTAT)

Note: MY 2023/24 through MY 2025/26 are Post Seoul forecast based on average yields over the previous 3 years and a marginal increase in acreages due to the government's incentives

Corn Consumption

While food, seed, and industrial (FSI) consumption remains relatively stable between 2.0-2.3 MMT, or 20 percent of total consumption, total corn consumption is highly affected by changes in feed corn usage. Feed corn and wheat are substitute feedstocks for compound feed production in Korea, leading to consumption changes based on their relative prices.

Table 7
Corn Consumption by Industry by Year

Total Corn Utilization				
(1,000 Metric Tons, Marketing Year)				
Year	Feed	Processing^{a/}	Food^{b/}	Total
MY 2019/20	9,503	2,204	107	11,813
MY 2020/21	9,432	2,236	110	11,777
MY 2021/22	8,989	2,221	106	11,316
MY 2022/23	9,279	2,003	107	11,390
MY 2023/24 ^{c/}	9,265	2,147	108	11,520

Source: Korea Feed Association (KFA), Korea Corn Processing Industry Association (KOCPIA)

a/ Wet and dry milling based on imported corn.

b/ On-the-cob or snack food consumption (e.g. puffed kernels, corn tea) mostly from domestic production.

c/ FAS Seoul forecast

Post Seoul forecasts that MY 2025/26 corn consumption will remain similar to the prior marketing year's level at about 11.5 MMT, given the mature scale of the compound feed market and stable animal herd numbers. The Korea Rural Economic Institute (KREI) projects that the number of swine and chickens in the first half of 2025 will be similar to last year, and FAS Seoul expects overall poultry production will increase in CY 2025. Meanwhile, beef cattle numbers are expected to gradually decline by 2027 from a peak in 2022. A breeding intention survey conducted by KREI showed lower interest in beef cattle in the coming years due to oversupplies. However, the impact on feed corn consumption will be limited, as beef cattle are not the primary consumers of feed corn.

The current global feed corn price is attractive enough to encourage purchasing corn over feed wheat, allowing feed corn to maintain its position as the primary ingredient for compound feed production (Table 1). Import data for the first 4 months of the marketing year through January 2025 showed that accumulated corn imports were down about 5 percent from the prior year. Nevertheless, FAS Seoul projects that this downtrend in imports will not result in a significant decrease in consumption in MY 2024/25, considering that feed corn buyers have been actively purchasing feed corn for delivery through summer 2025. February to June 2025 deliveries will reach 3.1 MMT according to purchase records as of mid of March 2025, with additional quantities still likely.

Out of the total annual compound feed consumption of 21 MMT, the market share of distillers dried grains and solubles (DDGS) has consistently increased as a protein source due to its nutritional value and competitive price compared to soybean meal. In MY 2023/24, the inclusion rate of DDGS in compound feed rose to 5.6 percent from 5.1 percent in MY 2022/23, following corn and soybean meal.

Table 8
Compound Feed Production by Species

Compound Feed Production Comparison by Species (1,000 Metric Tons, Calendar Year)				
Species	2021	2022	2023	2024
Poultry	6,014	6,114	6,102	6,201
Swine	6,932	7,032	7,080	7,072
Cattle	6,615	6,884	6,965	6,863
Others	1,367	1,383	1,345	1,426
Total	20,929	21,414	21,493	21,563

Source: Ministry of Agriculture, Food, and Rural Affairs (MAFRA)

Note: Above are production numbers, which may differ from the usage number

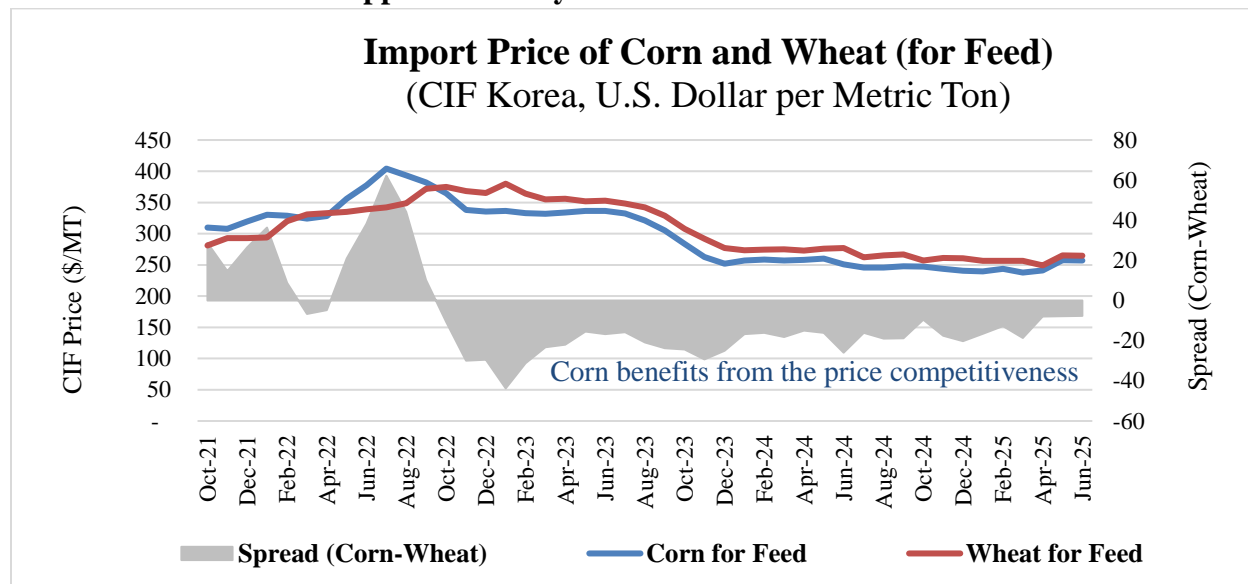
Corn for Processing

Korean corn processors use genetically engineered (GE) corn, non-biotech identity preserved (IP) corn, and conventional (non-GE) corn to produce corn starch, high fructose corn syrup (HFCS), and corn flour. Processors use GE corn for starch production for industrial purposes such as paper sizing and glue. Non-GE IP corn and conventional corn are used for food-use corn starch and corn flour. Public concern over biotechnology continues to influence decisions regarding imported processing corn, especially for corn used in products intended for human consumption, such as HFCS and corn oil. Many food processing companies are reluctant to use ingredients derived from biotech corn to avoid these perceived public concerns.

Corn Trade

Post Seoul forecasts that total MY 2025/26 corn imports will remain around 11.3 MMT, which is close to a normal year. In MY 2024/25, the lower international corn price compared to the feed wheat price led feed buyers to favor feed corn, resulting in a steadily increasing contract pace. Major feed grain buyers in Korea have almost completed purchasing feed corn and wheat for delivery by June 2025, with most feed corn designated as U.S. origin by traders due to its price competitiveness and abundant export availability.

Figure 10
Corn and Wheat Prices Approach Parity



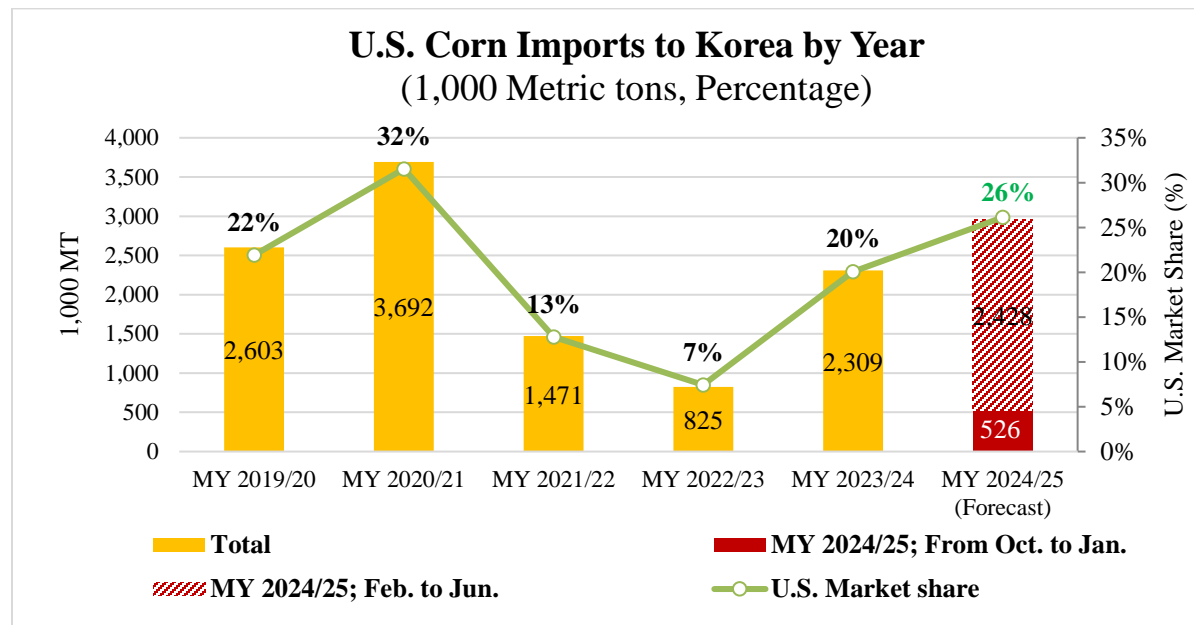
Source: Korea Customs Service (KCS)

Note: Price from February to June 2025 is based on the secured contracts reported by KFA

Market share of U.S. corn in Korea has rebounded dramatically close to pre-2020 levels. Post Seoul expects that the U.S. share of corn in MY 2024/25 will increase from the previous year's 20 percent, approaching 30 percent by MY 2025/26. Korea's total corn imports for the first 4 months of MY 2024/25 reached 4.1 MMT, of which 530,000 MT were delivered from the United States. According to local feed and corn processing buyers, they already purchased an additional 2.4 MMT of U.S. corn for deliveries from February to June. More U.S. corn deliveries are likely for the remaining months of the marketing year through September 2025, driven by abundant exportable supplies and competitive prices. Therefore, final MY 2024/25 U.S. market share will be above post's current estimate of 26 percent.

The United States used to be a primary supplier of total corn, accounting for 40 percent as of MY 2018/19. However, a malathion residue violation in 2022 caused U.S. processing corn to almost disappear from the Korean food corn market. In 2019, the Korean government introduced a positive list system (PLS) for pesticide maximum residue levels (MRLs) and originally set the import tolerance level for malathion at 0.03 ppm (no detection). In August 2023, the Ministry of Food and Drug Safety (MFDS) approved an increase in the import tolerance from 0.03 ppm to 0.2 ppm. This change allowed U.S. corn to return to the market, which combined with competitive prices, led local buyers in Korea to resume purchases of U.S. corn starting in CY 2024.

Figure 11
U.S. Corn's Remarkable Rebound



Source: Korea Customs Service (KCS)

Note: Import forecast in MY 2024/25 includes actual imports through January 2025 and industry-recorded purchases for February to June 2025. Additional purchases of U.S. corn are possible for July to September arrival. Market share forecast is based on total import forecast of 11.5 MMT, therefore, the final U.S. share will probably be higher.

Table 9
Imports on a Rise of U.S. corn in MY 2024/25

Corn Imports by Industry and by Country (1,000 Metric Tons, Metric Tons, Marketing Year)						
Country	Processing Corn			Feed Corn		
	MY 2022/23	MY 2023/24	MY 2024/25	MY 2022/23	MY 2023/24	MY 2024/25
	Total	Total	Oct. to Jan.	Total	Total	Oct. to Jan.
Ukraine	1,208	612	296	680	184	0
Argentina	0	0	0	3,259	3,633	993
USA	30	407	185	795	1,902	341
(Market Share)	1%	18%	23%	9%	20%	10%
Brazil	251	185	118	2,769	2,510	1,917
Romania	275	364	0	539	279	1
Others	295	663	207	998	811	9
Total	2,059	2,231	806	9,040	9,319	3,260

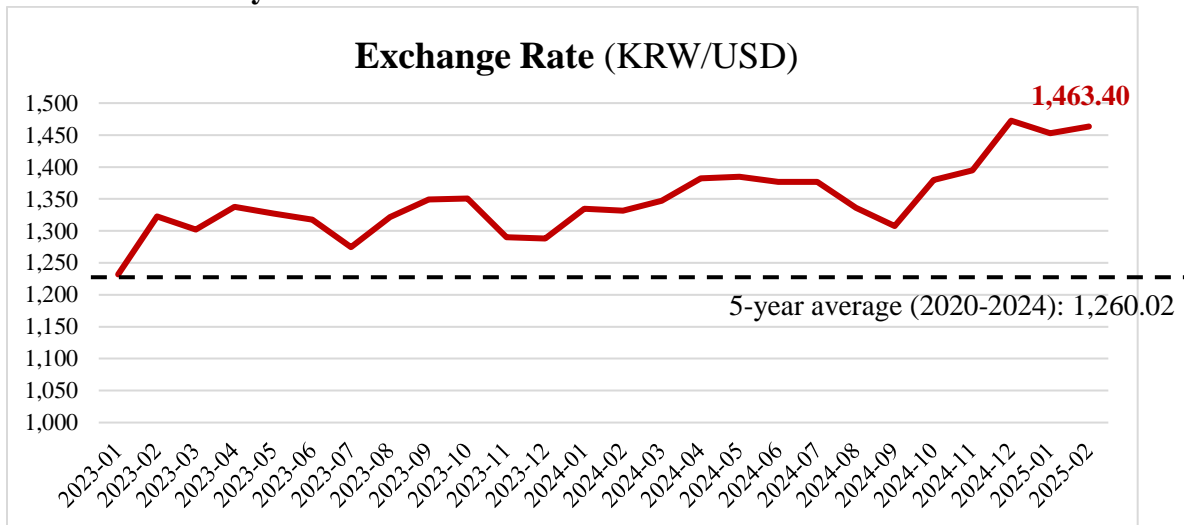
Source: Korea Customs Service (KCS)

Exchange Rates

Recently, Korea's weakening local currency has led to further increases in imported grain prices. The monthly average exchange rate reported by MOEF shows that since the nation's recent

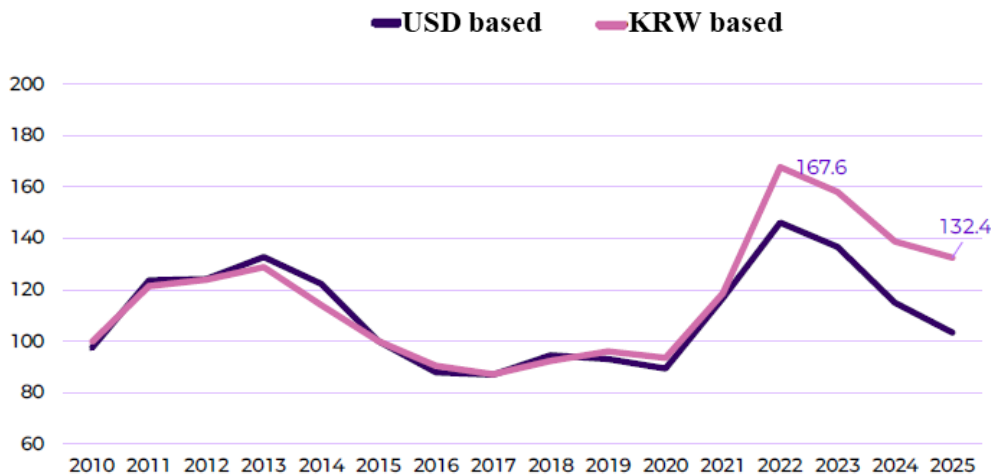
political upheaval began in December 2024, the average currency rate has held above KRW 1,450 per USD, significantly higher than the 5-year average of KRW 1,260 per USD. While currency fluctuations do not directly affect the purchase intentions of feed buyers in Korea because the costs are passed on to the sales price, they do increase the financial burden until the final products are sold in the market.

Figure 8
Political Instability Weakens Korean Won



Source: Ministry of Economy and Finance (MOEF)

Figure 9
Won based Import Prices Outpace Dollar based Index
Imported Feed Grain Price Index (2015=100)



Source: Reprinted with permission from 2025 Agriculture Outlook, Korea Rural Economic Institute (KREI)

Note: The price index by KREI shows relative price levels from year to year, compared to the annual average in the base year (2015). A price index of 132.4 means that the price of that item is 32.4 percent higher than in 2015. Commodities include feed wheat, feed corn, and soybean meal, weighted by the import value of each item.

According to KREI, the import price of food and feed grains in local currency has soared compared to the unit price based on the U.S. dollar, indicating difficulties from rising production costs for related industries.

Tariffs

Most suppliers of corn and DDGS to Korea can take advantage of duty-free access through FTAs or autonomous TRQs open to all trading partners. Under the KORUS FTA, the duty on U.S. feed corn immediately fell to zero in 2012. If imports of U.S. corn claim the KORUS preferential duty, those imports do not count against the global autonomous TRQ of 11 MMT. Since 2019, tariffs on U.S. corn for food processing have been completely phased out, and the duty fell to zero. The tariff on U.S. DDGS is also zero under KORUS.

In late December 2024, MOEF released the adjusted tariffs and autonomous TRQs for 2025. The autonomous TRQs cover a variety of agricultural products, including corn and DDGS. The TRQ for feed corn was set at 11 MMT with zero duty for CY 2025. The TRQ for processing corn was decreased to 1.9 MMT from 2.1 MMT in the previous year. The out-of-quota duty for both feed and processing corn remained fixed at 328 percent. For more details, please refer to the GAIN report [2025 Adjustment and Voluntary TRQs for Agricultural Commodities](#).

Of the annual autonomous TRQ for feed corn, 11 MMT has been allocated to feed millers who are KFA members and to the national farmer’s cooperative, Nonghyup Feed Inc. (NOFI). Meanwhile, the Korea Corn Processing Industry Association (KOCPIA) manages the majority of the 1.9 MMT TRQ for processing corn.

The annual autonomous TRQ for DDGS was revised down to 35,000 MT from 70,000 MT in 2024, but no notable impacts are expected, as the tariff from the current major suppliers, including the United States, Australia, and China, is already set at zero through FTAs.

Table 10
Tariff Rates for Corn and DDGS

Base Tariff and Applied Tariff Rate for CY 2024 (Percent, As of CY 2024)						
Commodity	H.S. Code	Base	Autonomous TRQ	WTO TRQ		KORUS FTA
				In quota	Out-of-quota	
Feed Corn	1005.90.1000	3	0 (11 MMT)	1.8	328	0
Processing Corn	1005.90.9000	3	0 (1.9 MMT)			
DDGS	2303.30.1000	2	0 (35,000 MT)	6.6		

Source: Customs Law Information Portal (CLIP) under Korea Customs

Note: If separate in-quota/ out-of-quota duty rates are specified for an item under the WTO TRQ, then they take precedence over other duty rates, except the autonomous TRQ and FTA rates. Otherwise, the lowest tariff rate will be prioritized. Only designated government entities have authorization to apply in-quota rates. Autonomous rate tariffs are flexibly determined by the government based on domestic market conditions. Autonomous TRQs take precedence over WTO TRQs.

Table 11
Production, Supply and Distribution: Corn

Corn	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
Korea, Republic of						
Area Harvested (1000 HA)	16	16	16	16	0	16
Beginning Stocks (1000 MT)	1898	1898	1942	2033	0	2067
Production (1000 MT)	94	93	95	94	0	95
MY Imports (1000 MT)	11550	11562	11500	11500	0	11300
TY Imports (1000 MT)	11550	11562	11500	11500	0	11300
Total Supply (1000 MT)	13542	13553	13537	13627	0	13462
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	9250	9265	9300	9350	0	9300
FSI Consumption (1000 MT)	2350	2255	2350	2210	0	2210
Total Consumption (1000 MT)	11600	11520	11650	11560	0	11510
Ending Stocks (1000 MT)	1942	2033	1887	2067	0	1952
Total Distribution (1000 MT)	13542	13553	13537	13627	0	13462
Yield (MT/HA)	5.875	5.8125	5.9375	5.875	0	5.9375

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2025/2026 = October 2025 - September 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Note: Official USDA data is based on the March 2025 WASDE data

Milled Rice

Rice Production

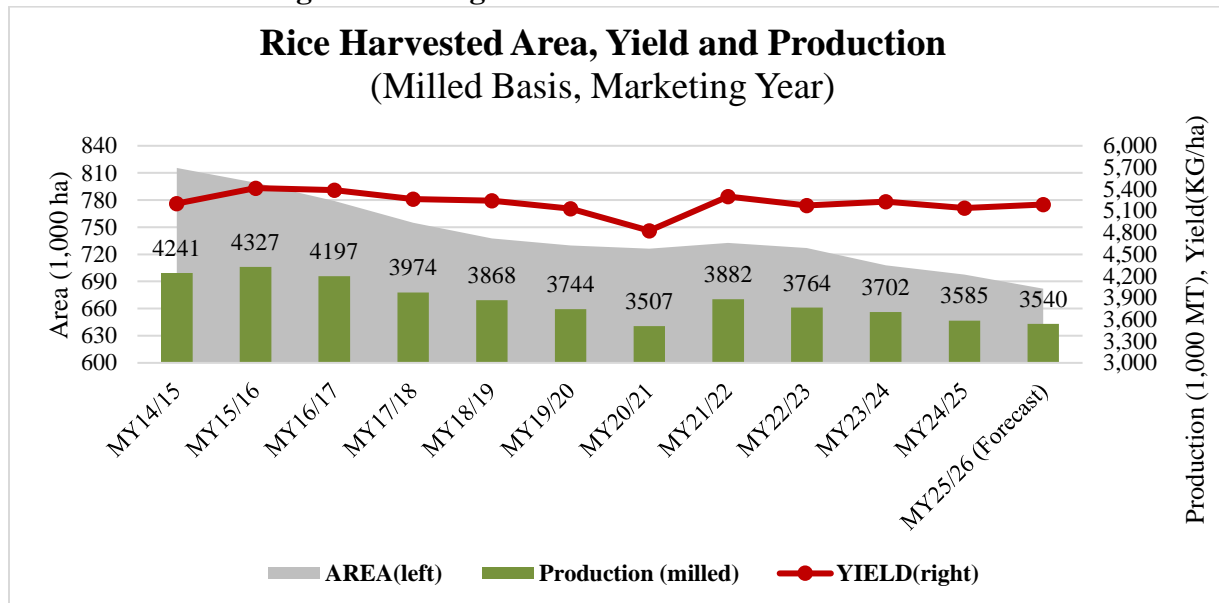
Post Seoul forecasts that MY 2025/26 (November 1-October 30) rice production will continue to decline to 3.5 MMT, based on nationwide survey results conducted by KREI. However, the acreage could decrease further due to the government's initiative to reduce rice production, which has set an initial target to reduce a total of 80,000 hectares this year.

This year, MAFRA announced a plan towards diversification and quantitative reduction in rice acreage that allocated the planned rice acreage reduction by province, with a proportional rate based on production volume in each region. Local governments that fail to meet the target may face measures such as exclusion from priority allocation for government rice purchases. Rural stakeholders have expressed concern regarding both the rapid pace of the government's plan and the suitability of agricultural land for alternative crops. After the Ministry's announcement of the rice acreage reduction allocations, it faced backlash from farmers, who criticized it as a unilateral decision that might threaten long-term food security by reducing total agricultural land below the 1.5-million-hectare threshold, which many consider necessary to maintain self-sufficiency in food grain production. Farm groups insist that achieving the government's long-term target of a 55.5 percent self-sufficiency rate for major crops by 2027, including rice, soybean, wheat, corn, and others, would be difficult with the rapid reduction in agricultural land.

Additionally, the Ministry announced last year that it will limit the use of reclaimed areas for rice production, aiming to reduce the total to zero by 2030 from the current 6,800 hectares. Given that the soil salinity of the reclamation area is still above the ideal level for producing other crops, a tangible shift to another crop seems infeasible. According to local media coverage in March 2025, farmers cultivating reclaimed areas stated that the soil salinity in most reclaimed fields is between 5.1 and 13.8 dS/m, higher than the 3 dS/m considered "appropriate" for growing other agricultural crops.

Rice acreage below 700,000 hectares seems to be the new normal with the Korean government's proactive policies encouraging farmers to substitute rice with alternative crops. For more information on the government policies to reduce rice acreage, refer to the [Grain and Feed Update](#) published in January 2025.

Figure 12
A Decade of Declining Rice Acreage



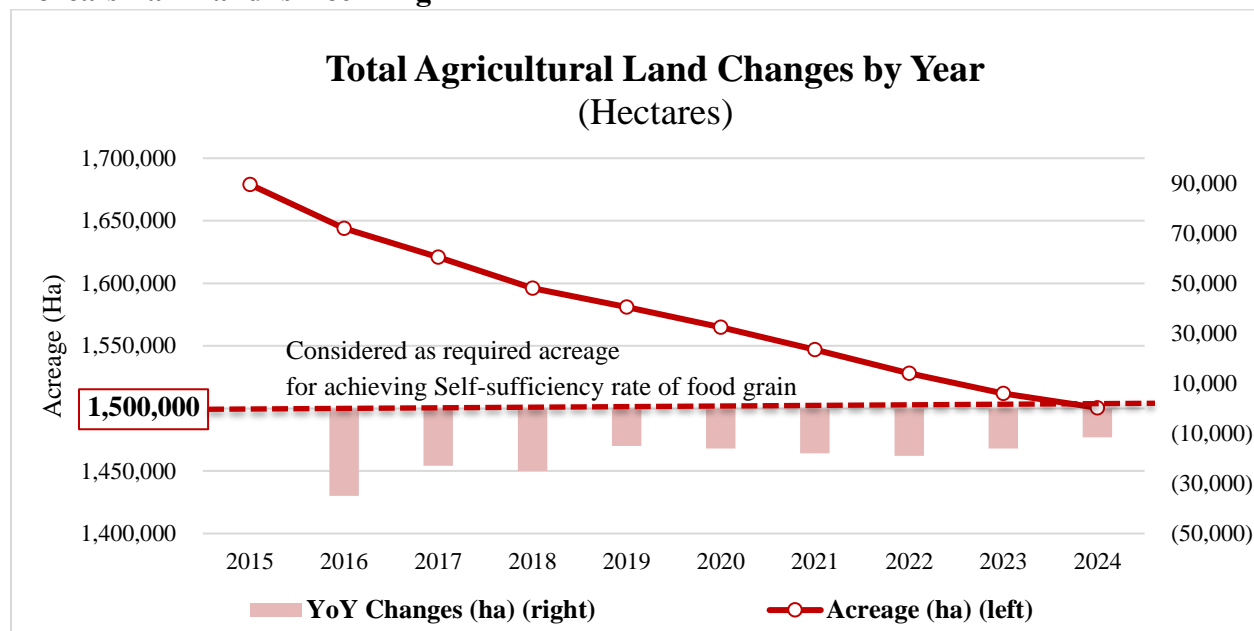
Source: Ministry of Agriculture, Food, and Rural Affairs (MAFRA); MY 2025/26 forecast by KREI

Table 12
Korean Government's Rice Acreage Reduction Plan

Rice Acreage Reduction Target by Province (As of Calendar Year 2025)		
Region	Share of Total Production	Allocated Reduction Area(ha)
Gyeonggi	10.1	8,108
Gangwon	4.1	3,256
North Chungcheong	4.7	3,727
South Chungcheong	19.7	15,763
North Jeolla	15.2	12,163
South Jeolla	19.8	15,832
North Gyeongsang	13.4	10,710
South Gyeongsang	8.8	7,007
Others	4.3	3,434
Total	100	80,000

Source: MAFRA's Announcement (as of March 2025)

Figure 13
Korea's Farmland is Declining



Source: Statistics Korea (KOSTAT)

Table 13
Rice Production Forecast for MY 2025/26

2025 Rice Production Forecast (Milled Basis)			
	MY 2024/25	MY 2025/26 (Proj.)	
		Government's Target	KREI Planting Intention Survey ^{1/}
Area (1,000 ha)	698	618	682
Yield (kg/ha)	5,138	5,191 ^{2/}	5,191
Production (1,000MT)	3,585	3,206 ^{2/}	3,540

Source: Statistics Korea (KOSTAT)

1/ 2025 Agriculture Outlook, Korea Rural Economic Institute (KREI)

2/ Based on the KREI's estimation on yield

Rice Consumption

Post Seoul forecasts that rice consumption in MY 2025/26 will continue to decrease in line with demographic changes (especially low fertility) and alternative meals replacing Korea's rice-based traditional cuisine among young generations. As shown in Figure 4, Koreans keep reducing rice and increasing wheat and other staples in their diet.

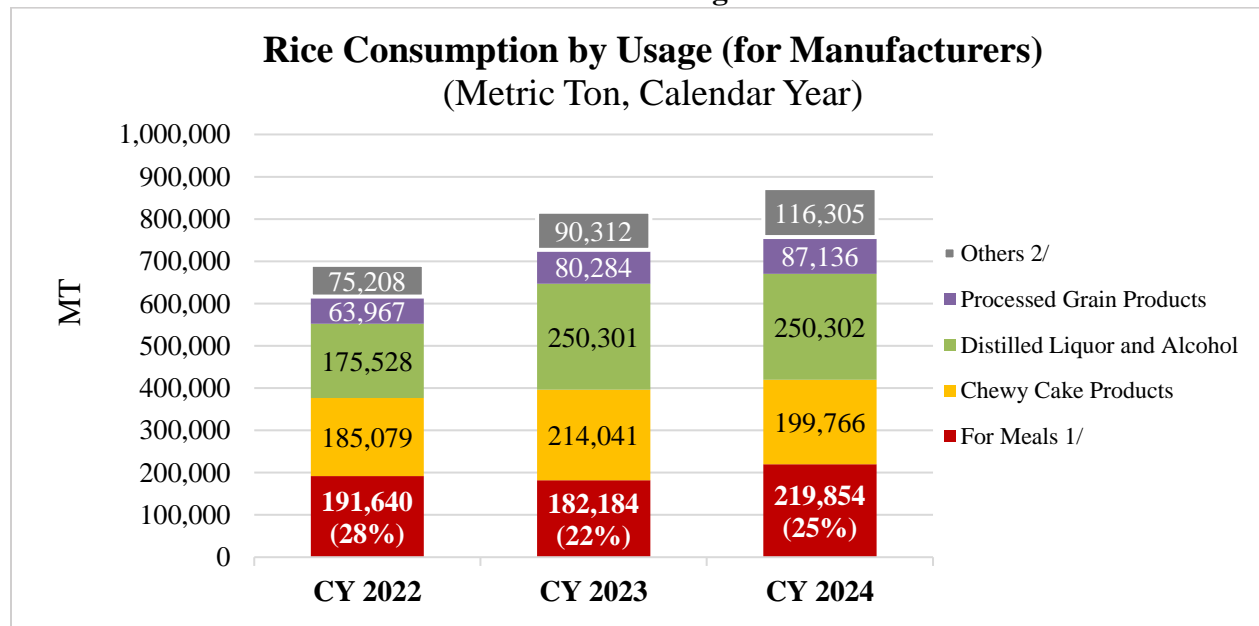
Despite the overall trend of declining rice consumption, there has been significant growth in rice consumption for processing, partially offsetting the decline in overall rice consumption.

According to Statistics Korea’s survey of 2024 rice consumption by the food manufacturing sector, there was a notable increase in rice consumption "For Meals," up 18 percent from the prior year. This includes rice consumption for manufacturing lunchboxes, home meal replacement (HMR) kits, and frozen kimbap. Increased demands in rice for processing will partially offset the decrease in total consumption, but not enough to overturn the overall downward trend in demand nationwide.

Officially, per capita consumption of table rice declined in CY 2024, dropping to 55.8 kg from 56.4 kg in CY 2023. However, some experts questioned the reliability of this number due to the limited sample size in the survey. Statistics Korea set a total of 1,400 sample households – 500 farm households and 900 non-farm households – for the rice consumption poll, which may not be representative of all families in Korea. Considering that rice consumption among non-farm households lags far behind that of farm households, experts suspect that actual per capita rice consumption might be lower than the official statistics.

The government’s initiative to foster domestic rice for flour is expected to continue supporting the development of new products. Recently, there has been increasing engagement from food conglomerates such as SPC (bakery), Tous les Jours (bakery), Nongshim (noodle), and Otoki (snack and curry powder) in various types of products. The goal of using rice for flour is to replace some portion of wheat-based ingredients, as Korea relies heavily on imported wheat in the bakery and food processing sectors.

Figure 14
Continued Growth in Rice Used for Food Processing



1/ includes lunchbox, HMR, and retort food

2/ includes traditional pastes, confectionery, noodle and starch usages

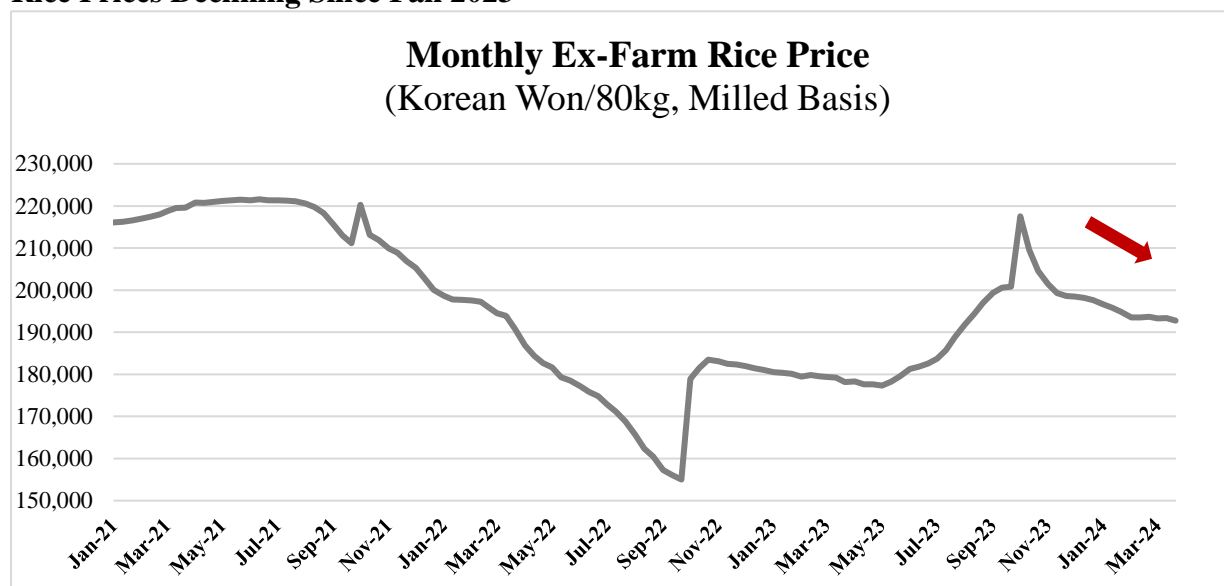
Source: Statistics Korea (KOSTAT)

Government transfers of rice into feed use have been the main variation affecting rice consumption on a yearly basis. Since 400,000 MT of rice was used for feed in MY 2023/24, the government has not announced any new plans to release stocks of rice for feed use. Consequently, FAS Seoul projects that total rice consumption in MY 2025/26 will be slightly down year-over-year, reaching close to 3.8 MMT.

Domestic Price

The domestic price of rice has continued to fall since last October. Despite a decrease in total production, concerns about the ongoing decline in per capita rice consumption have limited any potential price increases.

Figure 15
Rice Prices Declining Since Fall 2023



Source: Korean Statistical Information Service (KOSIS)

Rice Trade

Post Seoul forecasts that MY 2025/26 rice imports are forecast at 408,000 MT due to Korea’s minimum mark access import scheme.

In accordance with WTO commitments, Korea imports 408,000 MT of rice annually on a most-favored nation (MFN) basis at the current duty level of 5 percent under a TRQ regime implemented in 2015. At the end of 2019, following negotiations to resolve a WTO dispute on rice tariffication, Korea allocated 390,000 MT of country-specific quotas (CSQs) within the TRQ for five trading partners: the United States, China, Vietnam, Thailand, and Australia. The remaining 20,000 MT is allocated on an MFN basis and is also available to the five countries with CSQs. Tariffs outside the quota remain prohibitively high at 513 percent.

In general, the Korea Agro-Fisheries & Food Trade Corporation (aT) sells imported table rice to consumer distribution channels on a weekly basis through a public auction system (www.atbid.co.kr), and distributes imported processing rice directly to end-users, such as food processors and alcoholic beverage producers, at a set price throughout the year. However, aT has halted the sale of U.S. table rice through the weekly auctions since November 2023, leaving inventories imported under the 2021 WTO TRQ unsold. Meanwhile, auctions for Thai and Vietnamese rice imported under the 2024 TRQ are ongoing, and table rice from the Thai and Vietnamese 2023 TRQ has been fully auctioned.

The Korean government tends to stop the auction of U.S. table rice when it gets close to the new crop harvest season due to political sensitivity. The lack of supplies and inconsistent sales of U.S. table rice make it difficult for local buyers to include it in their regular product offerings. If U.S. table rice auctions were to resume, the U.S. rice industry and local buyers could offer more consistent and stable supplies of U.S. rice in the Korean market.

Table 14
Status of aT Selling Auctions for Table Rice under 2024 TRQ

Status of aT Selling Auctions for Table Rice under 2024 TRQ						
(Metric Tons, Milled Basis, as of March 11, 2025)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price ^{1/}
U.S. Medium Grain	#1	40,000	0	40,000	0	N/A
Thai Long Grain (Nov. 25, 2024~)	#1	1,900	507	1,393	27	2,896
	#1 ^{a/}	200	99	101	50	4,539
Vietnamese Long Grain (Aug. 26, 2024, ~)	#1	900	853	47	95	2,338
Total		43,000	1,460	41,540	3	N/A

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ Weighted average in Korean Won per Kg

a/ Hom Mali

Table 15**Status of aT Selling Auctions for Table Rice under 2023 TRQ**

Status of aT Selling Auctions for Table Rice under 2023 TRQ (Metric Tons, Milled Basis, as of March 11, 2025)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price ^{1/}
U.S. Medium Grain	#1	40,000	0	40,000	0	-
Thai Long Grain (Sep. 11, 2023, ~ Aug. 26, 2024)	#1	3,100	3,100	0	100	2,230
Vietnamese Long Grain (Jun. 3, 2024, ~ Aug. 19, 2024)	#1	900	900	0	100	1,848
Total		44,000	4,000	40,000	9	N/A

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ Weighted average in Korean Won per Kg

Table 16**Status of aT Selling Auctions for Table Rice under 2022 TRQ**

Status of aT Selling Auctions for Table Rice under 2022 TRQ (Metric Tons, Milled Basis, as of March 11, 2025)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price ^{1/}
U.S. Medium Grain	#1	10,000	0	10,000	0	
Thai Long Grain (Jul. 4, 2022, ~ May 15, 2023)	#1	3,000	2,903	97	97	1,416
Vietnamese Long Grain (Apr. 24, 2023, ~ Sep. 4, 2023)	#1	1,000	997	3	100	1,731
Total		14,000	3,901	10,099	28	N/A

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 17
Status of aT Selling Auctions for Table Rice under 2021 TRQ

Status of aT Selling Auctions for Table Rice under 2021 TRQ						
(Metric Tons, Milled Basis, as of March 11, 2025)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price ^{1/}
U.S. Medium Grain (Jun. 19, 2023 ~)	#1	41,500	32,201	9,299	77.6	2,252
Thai Long Grain (Aug. 23, 2021 ~Jun. 27, 2022)	#1	1,400	1,400	0	100	1,248
	#1 ^{a/}	100	100	0	100	3,107
Vietnamese Long Grain (Jan. 24, 2022 ~Jul. 6, 2022)	#1	1,000	991	9	99	1,208
Total		44,000	34,692	9,308	79	N/A

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ Weighted average in Korean Won per Kg

a/ Hom Mali

Exports

Post Seoul forecasts MY 2025/26 rice exports to reach 200,000 MT based on new food aid donation pledges and much smaller, but increasing, commercial sales.

Korea has exported about 53,000 MT of rice annually in the past, primarily for food aid donations under the Food Assistance Convention (FAC) that Korea joined in 2018. The Korean government recently expanded the recipient countries and increased the volume every year, with a plan to aid 17 countries, the largest-ever aid in its history, aiming to reach 8.18 million people suffering from malnutrition.

For more details, please refer to [MAFRA's press release](#) from February 18, 2025 (in Korean) and the [Grain and Feed Update](#) published in January 2025.

Table 18
Rice Aid Records and Plan

Rice Aid Records and Plan				
(Metric Tons, Milled Basis, Calendar Year)				
Country	2023	2024	2025	
				Portion (%)
Yemen	18,000	18,000	23,424	16
Ethiopia	13,000	13,600	12,000	8
Kenya	11,000	21,000	23,268	16
Uganda	2,492	3,000	2,544	2
Laos	-	-	-	-
Bangladesh	-	15,000	20,064	13
Madagascar	-	10,000	9,984	7
Moritani	-	6,700	13,020	9
Afganistan	-	4,900	4,032	3
Mozambique	-	3,000	2,328	2
Guinea-Bissau	-	2,400	1,800	1
Sierralion	-	2,400	1,800	1
Others	5,508	-	Namibia 4,896 Lebanon 864 Syria 2,400 Philippine 2,016 Tajikistan 960 Cuba 24,600	21
Total	50,000	100,000	150,000	100

Source: MAFRA's press release

**Table 19
Production, Supply and Distribution**

Rice, Milled Market Year Begins	2023/2024		2024/2025		2025/2026	
	Nov 2023		Nov 2024		Nov 2025	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	708	708	698	698	0	682
Beginning Stocks (1000 MT)	1427	1427	1245	1214	0	1139
Milled Production (1000 MT)	3702	3702	3585	3585	0	3540
Rough Production (1000 MT)	4900	4898	4745	4783	0	4703
Milling Rate (.9999) (1000 MT)	7555	7558	7556	7495	0	7527
MY Imports (1000 MT)	395	404	440	400	0	408
TY Imports (1000 MT)	413	422	440	400	0	408
Total Supply (1000 MT)	5524	5533	5270	5199	0	5087
MY Exports (1000 MT)	129	129	170	180	0	200
TY Exports (1000 MT)	138	138	170	180	0	200
Consumption and Residual (1000 MT)	4150	4190	3950	3880	0	3810
Ending Stocks (1000 MT)	1245	1214	1150	1139	0	1077
Total Distribution (1000 MT)	5524	5533	5270	5199	0	5087
Yield (Rough) (MT/HA)	6.9209	6.9181	6.798	6.8524	0	6.8959

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2025/2026 = January 2026 - December 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Note: Official USDA data is based on the March 2025 WASDE data

Attachments:

No Attachments