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Report Highlights:

Marketing Year (MY) 2024/25 rice production and consumption forecasts remain unchanged since the April 2024 Grain and Feed Annual Report. Post revised MY 2023/24 rice imports down based on the import tender fulfillment pace by the Korean government. Progress allocating the 2024 rice tariff rate quota (TRQ) has been favorable for the United States, but local distribution of imported U.S. table rice has not kept pace, as auctions remain suspended since November 2023. Continued declines in domestic rice consumption are partially offset by growth in rice-based food processing, with K-food products like frozen kimbap gaining popularity in export markets. In addition to doubling food assistance donations starting in 2024, Korea announced the expansion of technical assistance through the K-Rice Belt project to 14 total African countries at the June 2024 Korea-Africa Summit, aiming to produce 10,000 MT of rice by 2027 in target countries.

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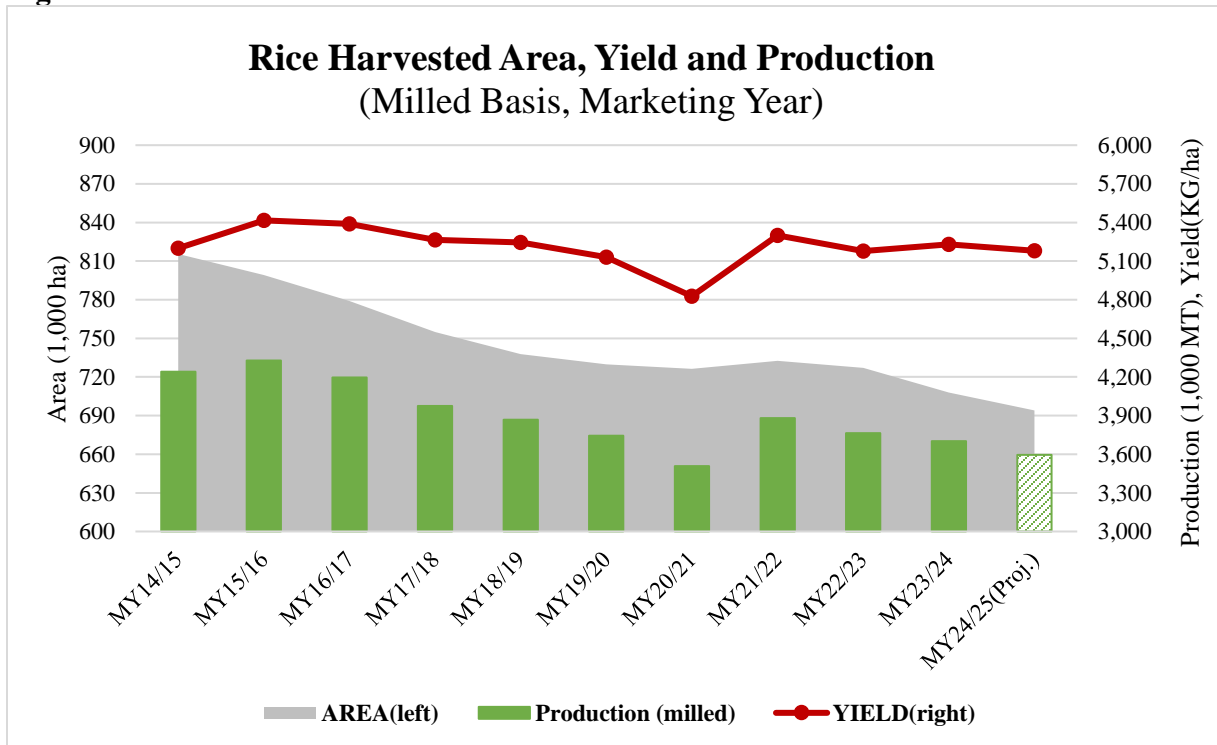
Milled Rice

Rice Production

The marketing year (MY) 2024/25 rice production forecast remains at 3.7 million metric tons (MMT), unchanged from the [Grain and Feed Annual](#) published in April 2024.

Rice planted area will dip below 700,000 hectares in MY 2024/25 as a result of the Korean government's efforts to reduce production and overcome oversupplied stocks. The overall policy direction of the Ministry of Agriculture, Food, and Rural Affairs (MAFRA) in the future is expected to continue limiting traditional rice production by replacing it with other crops and encouraging rice for flour production.

Figure 1



Source: MAFRA

Note: MY 2024/25 forecast is based on the Korea Rural Economic Institute (KREI) planting intention survey

Plans to Foster High-quality Rice Variety Planting, Shifting from High-yield Rice Variety

In Korea, growers and policymakers are increasingly prioritizing quality characteristics such as flavor of over production or yield when choosing rice planting varieties. To overcome the long-standing oversupply of rice compared to national consumption patterns and potential large-scale pest damage that can be caused by relying on specific rice varieties, the Korean government announced plans to restructure rice cultivation last year. The plan emphasized quality-oriented planting practices, shifting away from quantity-oriented practices and aiming to expand high-quality rice production.

The Ministry also introduced several sub-plans to achieve this objective, such as halting high-yield seed variety distributions for farmers in 2024 and excluding those same varieties from government purchase starting in 2025. The plan ultimately targets replacement of all high-yielding varieties with high-quality rice varieties by 2027. A high-yield variety is defined as producing more than 5,700 kg per hectare.

The government plan to effectively discontinue high-yielding varieties faces heavy resistance from farmers, as some of the most popular planting varieties are classified as high-yielding, including “Shin-dong-jin”, the No.1 variety produced in the country with about 13 percent of total rice acreage. In response, the Ministry decided to postpone the implementation by two years for the “Shin-dong-jin” variety only, while limiting distributions of other high-yielding varieties including “Sae-il-mi” under the original plan. According to a study conducted by the Korea Rural Economic Institute (KREI) in 2020, yields of “Shin-dong-jin” on the ground turned out to be around 5,360 kg per hectare, which diverged from government estimates. The study stated that the government had overestimated the yield by assuming higher nitrogen usage than farmers were using in practice.

Table 1
Distribution of high-yielding varieties by year

Year	2020	2021	2022	2023	2024 (Proj.)
Portion (Percent)	28.2	24.0	20.2	15.9	8.2

Source: MAFRA

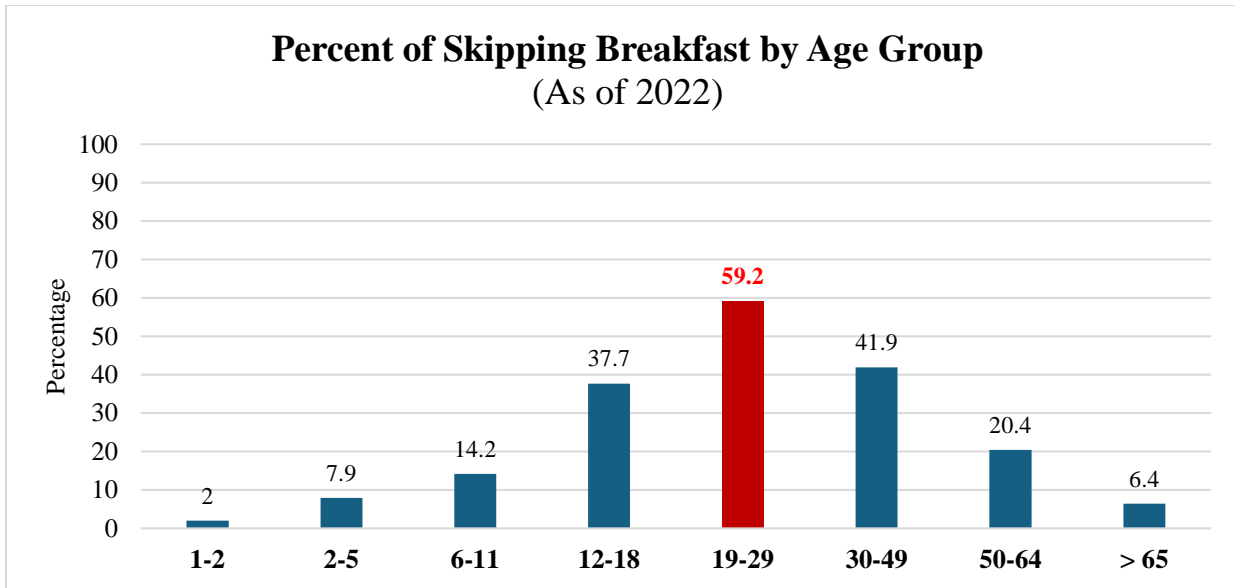
Rice Consumption

Rice consumption forecasts for MY 2024/25 remain unchanged from the previous report.

In Korea, per capita consumption of rice has been continuously falling, though growth in the processing sector will offset some of the decrease in total rice consumption. This is primarily due to younger generations reducing their carbohydrate intake and increasingly westernized eating habits, along with demographic changes. According to KREI, as of 2023, the preliminary per capita consumption of meat (beef, pork, and poultry) was above 60 kg per person per year, exceeding that of rice at 56.4 kg.

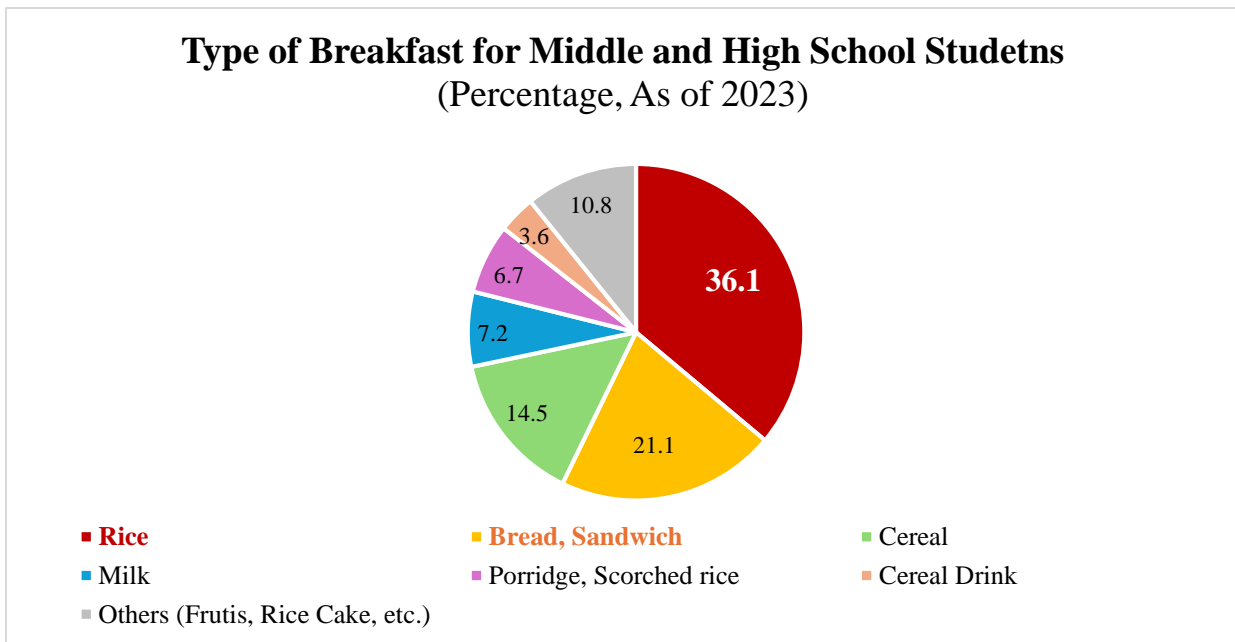
According to the National Health and Nutrition Survey conducted by the Korea Disease Control and Prevention Agency (KDCA), the percentage of Koreans skipping breakfast reached 34 percent in 2022, up from 31.7 percent in 2021. Notably, the 19-29 age group reported skipping breakfast 59.2 percent of the time in 2022, the highest rate among all age groups. Moreover, Korean consumers continue to diversify breakfast types toward westernized dishes, such as bread, sandwiches, and cereal rather than traditional rice-based meals. According to a consumer behavior survey conducted by KREI in 2023, rice still ranked as the top breakfast choice for middle and high school students, accounting for 36 percent, followed by bread, sandwiches and cereal. However, this is far below the overall rate of 65 percent for all age groups.

Figure 2



Source: Korea Disease Control and Prevention Agency (KDCA) National Health and Nutrition Survey

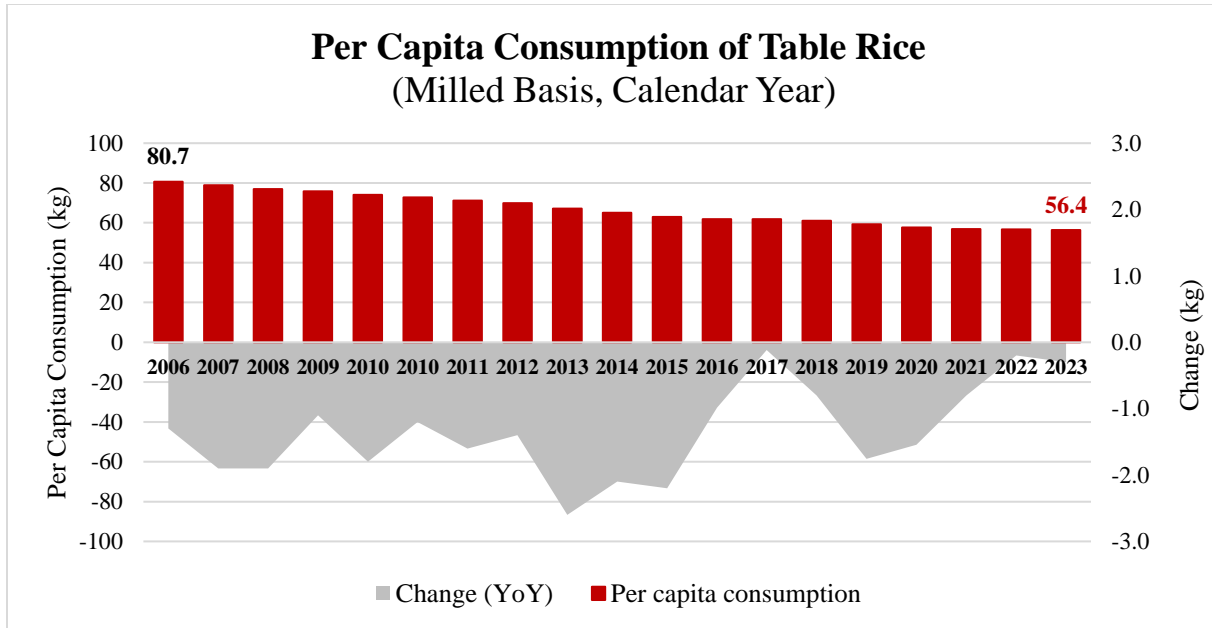
Figure 3



Source: Korea Rural Economic Institute (KREI) Consumer Behavior Survey Result 2023

Note: The percentage of rice consumption for breakfast was around 65 percent for all age samples from 10s to 70s.

Figure 4



Source: Statistics Korea (KOSTAT)

In contrast to the continuous decrease in per capita consumption of table rice, increased demands in rice for processing have somewhat offset the reduction in total rice consumption. Frozen kimbap (a seaweed-wrapped Korean rice roll with vegetables) emerged as a new export product gaining in popularity overseas due to its nutritional benefits and affordable price. In 2023, many news outlets provided coverage of kimbap’s success in the United States grocery chain Trader Joe’s, with photos of people standing in long lines at the frozen section. Kimbap started from small-sized Korean companies, but recently larger food conglomerates decided to launch new frozen kimbap products to capture the global interest in Korean food and culture.

It is expected that the demand for rice in food processing will continue to grow in line with the recent announcement by the Korean government that it will target increasing rice consumption for processing to 720,000 MT by 2028. Along with the Korean government’s policy to support research and development, more conglomerates are joining in with new product launches to stimulate rice for flour consumption. Rice flour is used not only in the bakery sector to promote gluten-free products, but also in snacks, instant noodles, vegetable drinks, and ice cream. Starting from rice for flour production of about 500 MT in 2022, the government targets to reach production of 42,000 MT by 2026. Additionally, the government aims to foster 100 different companies pursuing certification with the Korea Gluten Free Certificate (KGFC).

In 2023, the Ministry announced that it will release 400,000 MT of government rice reserves from prior year crops, which will be used by the local feed industry throughout this year. No further plans to release more stocks have been announced, but additional stock releases are expected in MY 2024/25.

Rice Trade

Post forecasts of rice imports and exports in MY 2024/25 remain unchanged from the previous report. Imports are forecast at 420,000 MT, which is higher than Korea's tariff rate quota (TRQ) volume because of temporary increases to make up for abnormally low imports in MY 2022/23. In the long run, rice imports should eventually return to an average of 408,000 MT annually.

The post estimate of MY 2023/24 imports has been revised down to 450,000 MT based on the timing of expected deliveries under the most recent tender plan announced by the Korea Agro-Fisheries and Food Trade Corporation (aT). The recent tender notice from aT indicates that the majority of deliveries from Asian countries under the 2024 TRQ will occur during MY 2024/25, not MY 2023/24. As of May 21, 2024, the rice WTO TRQ tender has been well paced, with the U.S. awarded volume reaching about 77,000 MT in a milled basis, while the total awarded volume was about 93,000 MT from all countries.

In accordance with WTO commitments, Korea imports 410,000 MT of rice annually at 5-percent duty under a TRQ regime implemented in 2015. At the end of 2019, Korea allocated 390,000 MT of rice imports to a country-specific quota (CSQ) within the TRQ for five trading partners (the United States, China, Vietnam, Thailand, and Australia) following negotiations to resolve a WTO dispute on rice tariffication. The remaining 20,000 MT are allocated on a most favored nation (MFN) basis, which is also available to the five countries with CSQs. Tariffs outside the quota remain prohibitively high at 513 percent.

Table 2
2024 WTO Rice TRQ Contract Status by Country

2024 WTO Rice TRQ Contract Status by Country (Metric Tons, Milled Basis, as of May 21, 2024)				
Country	Allocated TRQ	Contracts	Open	Contractual Rate (Percent)
USA	132,304	76,996	55,308	58.2
China	157,195		157,195	0.0
Vietnam	55,112	900	54,212	1.6
Thailand	28,494	15,595	12,900	54.7
Australia	15,595		15,595	0.0
MFN	20,000		20,000	0.0
Total	408,700	93,490	315,210	22.9

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

Table 3
Rice Imports in the First Seven Months of Marketing Year (MY)

Rice Imports in the First Seven Months of MY					
(Metric Tons, Milled Basis, From November to May)					
	MY 2021/22	MY 2022/23	MY 2023/24	YoY	
					(Percent)
USA	73,520	28,004	65,977	37,973	136
China	92,196	57,197	117,195	59,998	105
Thailand	21,000	22,997	15,003	- 7,994	-35
Australia	15,235	8,037	1	- 8,036	-100
Vietnam	36,400	29,900	22,900	- 7,000	-23
Others	5	-	55	55	N/A
Total	238,356	146,135	221,132	74,997	51

Source: Statistics Korea (KOSTAT)

Market Distribution of Imported Table Rice (aT Auctions)

Rice imported by aT is sold to wholesalers at a weekly auction through a public auction system (www.atbid.co.kr). Rice distribution in the local community has not kept pace with the rate of WTO TRQ imports. Moreover, the sales pace at the weekly table rice auctions is not balanced across the five CSQ origins. Currently 10,000 MT of U.S. table rice imported under the 2022 WTO TRQ and 40,000 MT from the 2023 WTO TRQ is awaiting sale through the weekly auctions. In contrast, Thai table rice imported under the 2023 WTO TRQ is being sold, with about 17 percent auctioned off as of June 17, 2024.

The current domestic rice price, which has remained consistently below the government target price, may be one of the reasons why it takes longer to sell U.S. rice, which was imported at a high price from 2021 through 2022. Korea temporarily suspended auctions of U.S. table rice on November 13, 2023, shortly after the MY 2023/24 domestic crop marketing season started. aT will resume auctioning of U.S. table rice in 2024 but the exact date has not yet been decided.

After a similar backlog of U.S. rice imported under the 2021 WTO TRQ built up awaiting auction, the Ministry decided this year to transfer the majority of the remaining U.S. 2021 TRQ volume for processing distilled liquor and other usages.

Table 4**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 June 17, 2024)						
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 (Sep. 11, 2023~)	#1	18,100	2,996	15,104	17	2,171
Vietnamese Long Grain (Jun. 3, 2024~)	#1	5,900	238	5,662	4	1,777
Total		64,000	3,234	60,766	5	N/A

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

1/ Weighted average in Korean Won per Kg

Note: Total TRQ allocations by country have been revised from the previous report to reflect MFN tender results

Table 5**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 June 17, 2024)						
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	N/A
Thai Long Grain (Jul. 4, 2022~ Dec. 22, 2023)	#1	3,000	2,903	97	97	1,416
Vietnamese Long Grain (Apr. 24, 2023~ Dec. 28, 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)

1/ Weighted average in Korean Won per Kg

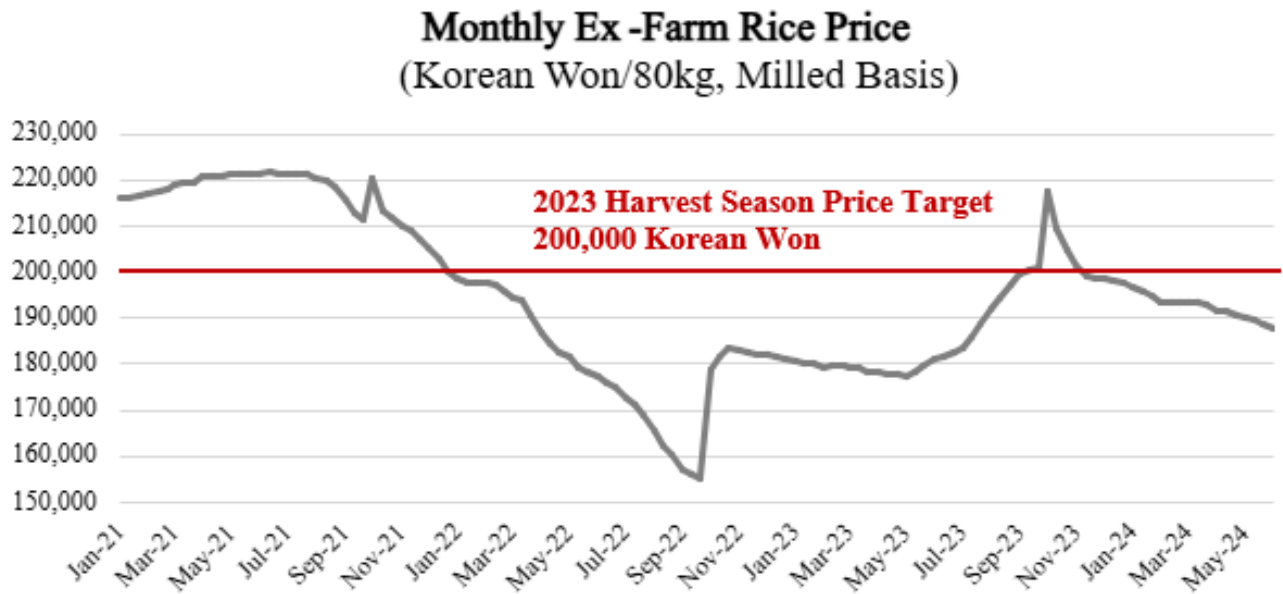
Domestic Price

The domestic rice price has been continuously falling since September 2023 when harvest began, staying below KRW 180,000 per 80 kg. Stakeholders, particularly farmers, have been calling for measures to support the domestic rice price. Compounding the issue, the possibility of further price decreases during the summer season discourages some buyers from purchasing at the

current price. Normally rice prices during the summer season should be above the harvest season price level, but sluggish demand has kept prices low through the summer season. As a result, Korea’s rice processing complexes (RPCs) are facing severe financial challenges. Normally, the RPCs finish purchasing rice right after harvest, selling their stocks throughout the year. Price reductions during the summer season could seriously threaten their business.

On June 21, 2024, the Korean government announced that it will purchase an additional 50,000 MT of rice (milled basis) to help support the domestic rice price. The measure was driven by the industry demands, but it would be difficult for this one-time measure to significantly address the chronic issue of falling of rice prices.

Figure 5



Source: Statistics Korea (KOSTAT)

Table 6
Price in Harvest Season per Crop Year

Price in Harvest Season per Crop Year (Korean Won per 80 kg)				
Crop Year	2022	2023	2024	
			Average	June 4, 2024
Average Price (Oct.-Dec.)	208,793	181,819	202,797	187,872

Source: Statistics Korea (KOSTAT)

Exports

Marketing year 2023/24 and 2024/25 will see Korean rice exports double to 108,000 MT annually on increased food aid commitments. At the G7 summit held in Hiroshima, Japan, last year, President Yoon promised to double rice donations through the World Food Programme (WFP) beginning in 2024. Korea has exported about 53,000 MT of rice annually in recent years, primarily for food aid donations under the Food Assistance Convention (FAC) that Korea joined in 2018.

Spring 2024 marked the beginning of rice shipments from Korea’s doubled WFP donations, with six new rice aid recipient countries added: Afghanistan, Bangladesh, Madagascar, Mauritania, Mozambique, Guinea-Bissau, and Sierra Leone. Minister Song Miryung of MAFRA and a WFP representative attended an event in Gunsan Port commemorating a shipment of 15,000 MT of rice to Bangladesh for Rohingya refugees. Minister Song said in a press release, “The Republic of Korea is the only country that has transformed itself from a recipient to a donor country in half a century. As a responsible member of the international community, we will make the utmost effort to fulfil our roles and duties by continuing to expand not only food aid but also the K-Rice Belt Project.” For further information, please refer to the MAFRA press release: [Korea Provides 100,000 MT of Rice to Refugees and Vulnerable Populations in Africa, Asia, and Middle East](#).

Table 7
Rice Aids Records and Plan by Year

Rice Aids Records and Plan by Year						
(Metric Tons, Milled Basis, Calendar Year)						
Year / Country	2020	2021	2022	2023	2024	
						Portion (%)
Yemen	19,000	18,000	18,686	18,000	18,000	18
Ethiopia	16,000	13,680	13,000	13,000	13,600	14
Kenya	10,000	9,500	11,000	11,000	21,000	21
Uganda	5,000	4,500	6,000	2,492	3,000	3
Laos	-	1,320	1,314	-	-	-
Others	-	3,000	-	5,508	Bangladesh 15,000 Madagascar 10,000 Mauritania 6,700 Afghanistan 4,900 Mozambique 3,000 Guinea-Bissau 2,400 Sierra Leone 2,400	44
Total	50,000	50,000	50,000	50,000	100,000	100

Source: MAFRA

In addition to food aid donations, Korea has increased overall official development assistance (ODA) programs, including food security technical assistance through projects such as the K-Rice Belt initiative. The “K-Rice Belt” program was announced by MAFRA in 2023 to provide technical assistance on rice production across seven African countries through partnerships with the Rural Development Administration (RDA). The pilot project exceeded its first year goal by producing 2,321 MT of high-yielding rice seed in six African nations. The program provided high-yielding rice varieties capable of producing 5 to 6 MT per hectare to recipient countries, including Guinea (1,119 MT produced), Uganda (515 MT produced), Ghana (330 MT produced), The Gambia (180 MT produced), Cameroon (111 MT produced), and Senegal (66 MT produced).

The K-Rice Belt project was expanded to 14 total countries as of June 2024. During the Korea-Africa Summit in June 2024, four additional countries – Madagascar, Malawi, Angola, and Zimbabwe – signed the memorandum of understanding (MOU) with MAFRA to participate in the project. The Korea-Africa Agricultural Conference, hosted by MAFRA and RDA on June 5, 2024, was attended by more than 300 people, with participation of the presidents of Comoros, Zimbabwe, and Madagascar, as well as ministers from nine African countries. Korean and African officials committed to creating mutually constructive partnerships between their countries. For more information, please refer to the MAFRA press release: [Korea-Africa Summit: New Value in Agricultural Partnership and K-Rice Belt MoU Expansion](#).

Table 8**Production, Supply and Distribution: Rice**

Rice, Milled	2022/2023		2023/2024		2024/2025	
Market Year Begins	Nov 2022		Nov 2023		Nov 2024	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	727	727	708	708	694	694
Beginning Stocks (1000 MT)	1334	1334	1352	1427	1484	1285
Milled Production (1000 MT)	3764	3764	3702	3702	3595	3595
Rough Production (1000 MT)	4998	4998	4900	4898	4760	4760
Milling Rate (.9999) (1000 MT)	7531	7531	7555	7558	7553	7553
MY Imports (1000 MT)	262	268	460	450	440	420
Total Supply (1000 MT)	5360	5366	5514	5579	5519	5300
MY Exports (1000 MT)	58	58	100	108	125	108
Consumption and Residual (1000 MT)	3950	3881	3930	4186	3900	3950
Ending Stocks (1000 MT)	1352	1427	1484	1285	1494	1242
Total Distribution (1000 MT)	5360	5366	5514	5579	5519	5300
Yield (Rough) (MT/HA)	6.8748	6.8748	6.9209	6.9181	6.8588	6.8588

(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 2024/2025 = January 2025 - December 2025

Note: Official USDA data is based on the June 2024 WASDE data

Attachments:

No Attachments