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Report Highlights:

Marketing year (MY) 2025/26 rice production in the Republic of Korea (ROK) is forecast further down on reduced planted area approaching half of the government's reduction target of 80,000 hectares. Delayed transplanting because of unfavorable weather in May postponed the official planting forecast announcement to July. Since Lee Jae-myung's victory in the ROK snap presidential election on June 3, 2025, the Democratic Party is driving revisions to the Grain Management Act, which had been vetoed by the previous administration. Although demographic changes continue to drive down domestic rice consumption, exports of processed rice products are rising. Stocks of imported table rice continue to pile up as the Ministry refuses to resume weekly auctions of U.S. table rice, which have now been suspended for over 18 months. The government plans to transfer stocks of U.S. table rice from the 2022 crop year into alcoholic beverage production because it is no longer marketable for household consumption.

Contents

Milled Rice.....	2
Rice Production.....	2
Policy	3
Rice Consumption	4
Rice Trade	5
Domestic Price	7
Exports	7

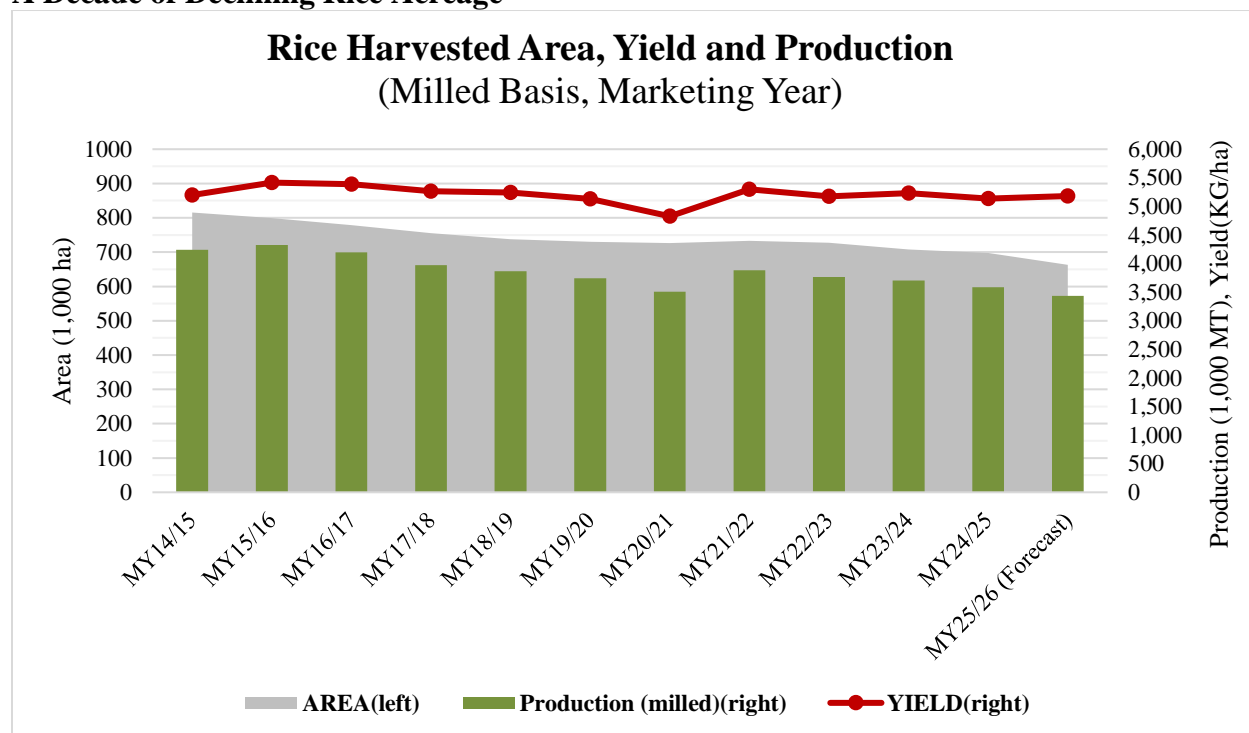
Milled Rice

Rice Production

Post Seoul forecasts that MY 2025/26 (November 1-October 30) rice production will be at around 3.4 MMT, slightly down from the previous report, according to the rice market report issued in April 2025 by the Korea Rural Economic Institute (KREI). Although KREI normally provides an updated planted area estimate in early June with results of their planting intention survey, this year KREI excluded the planting acreage details from the report due to delayed transplanting. Farmers usually complete transplanting by mid-May, but decreased sunlight and lower temperatures in May caused farmers to push back transplanting by about 10 days compared to normal years.

In early July, KREI plans to publish an observational bulletin with updated planting estimates based on field surveys. The forecast results will reveal how close the rice growers have come to achieving the ROK government's reduction acreage target of 80,000 hectares (ha) this year to tackle the domestic rice oversupply. As of this report, FAS Seoul estimates a reduction of 38,000 ha compared to last year, just below half of the target.

Figure 1
A Decade of Declining Rice Acreage



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

Policy

Grain Management Act Revision to Resurface

With the Democratic candidate Lee Jae-myung winning the snap presidential election on June 3, 2025, the Grain Management Act Revision is beginning to resurface in the National Assembly. The Democratic Party spearheaded a revision of the current Act by fortifying the provision of mandatory government rice purchases when domestic rice is oversupplied and prices drop below a certain level, while maintaining current incentives for replacing rice acreage. President Lee promised to revise the Act on the campaign trail, and since the election, several National Assembly members have been shepherding the revised Act through to the regular plenary session. With the Democratic Party now holding a majority in the National Assembly and the presidency, revisions to the Act are more likely to succeed.

In the previous administration, the Grain Management Act revision was rejected through both presidential and acting presidential vetoes. Minister of Agriculture, Food and Rural Affairs Song Mi-ryung, who has been reappointed to continue in her position with the new Lee administration, had criticized the policy as potentially incentivizing excess rice cultivation. Local media reported that MAFRA put forth the amended version of the Grain Management Act in a briefing to the National Policy Planning Committee on June 19, 2025, to set the blueprint for the new administration's five-year national plan. The latest amendment under consideration appears to address Minister Song's prior concerns by qualifying the mandatory government rice purchases to occur only under certain conditions. In particular, purchases for excess production would only be mandated if rice acreage has been reduced in line with the Ministry's objectives, thereby easing the policy's financial burden.

Rice Check-off Fund Established to Promote Domestic Rice Consumption

On June 19, 2025, MAFRA announced plans to establish a check-off funded non-profit corporation, the Korea Rice Industry Association, whose purpose will be to develop the ROK rice industry by promoting rice consumption and sales, and stabilizing supply and demand (see [MAFRA press release](#), in Korean). Spearheaded by the rice processing complexes (RPCs) representing 132 agricultural cooperative ("Nonghyup") RPCs and 80 private RPCs, the association will be ready to raise voluntary rice check-off funds starting next year.

Proponents argue the rice check-off fund will help improve customers' perception of domestic rice and promote consumption. The producer's association, however, argued that discussions of the check-off initiative proceeded without farmers' participation and called for a halt to forming the association. Farmers raised suspicions that the government intended to exclude farmers who have opposed the government's policy to reduce rice acreage from participating in agricultural administrative policy discussions. Nearly 20 years ago, producer organizations initially promoted creation of a rice check-off fund, but ran into difficulties seeking participation from rice farmers, who are dispersed nationwide.

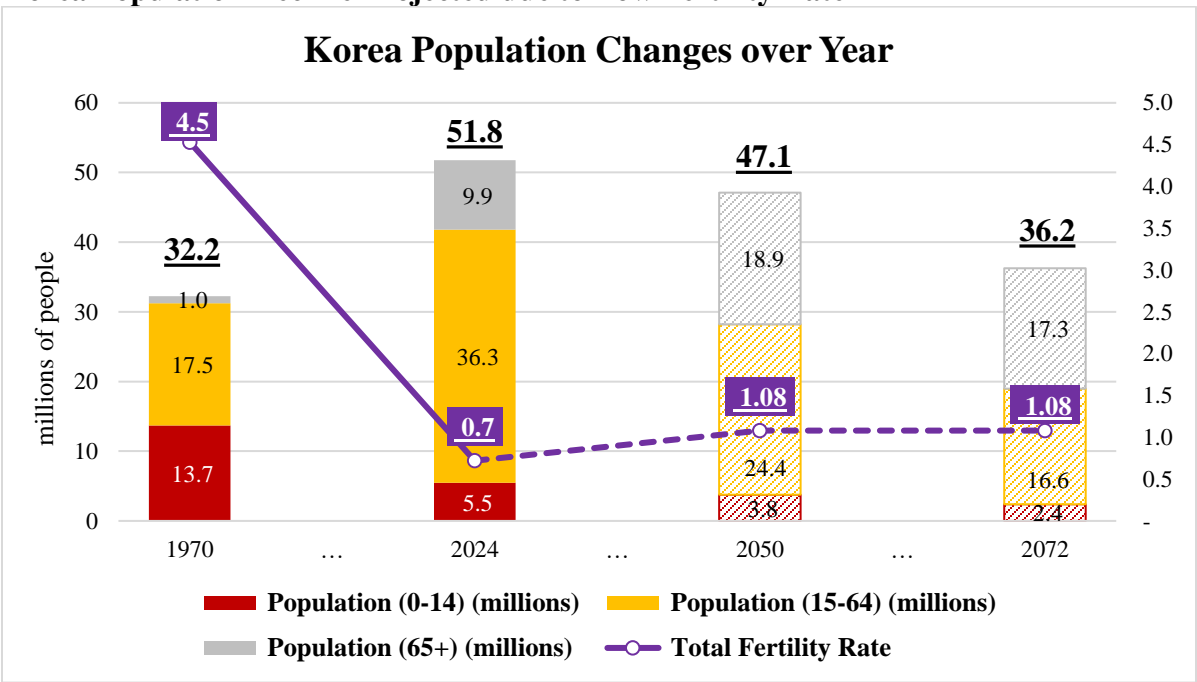
If the voluntary check-off fund is established, the financial resources are expected to reach around 28 billion Korean won (KRW, equivalent to \$20 million), half from RPCs and half from government matching funds. This year, according to Korean agricultural media, MAFRA's

budget allocation for promoting domestic rice consumption was just 2.6 billion KRW (\$1.8 million).

Rice Consumption

Post Seoul forecasts that the rice consumption will decrease further due to demographic changes and alternative meals replacing the traditional rice-based cuisine among young generations, as described in the previous [Grain and Feed Annual](#). According to Statistics Korea, the total ROK population will further decline to 47.1 million people by 2050 and 36.2 million by 2072, accelerated by the low fertility rate at 0.7 births per woman in 2024 (KOSTAT [long-term projection on the total population and fertility rate](#), in Korean).

Figure 2
Korea Population Decline Projected due to Low Fertility Rate



Source: Statistics Korea (KOSTAT)

Consumption of rice for processing continues to partially offset the reduction of total consumption, as the popularity of Korean processed rice products such as frozen kimbap and snacks maintains their growth in the global market. The government’s 1,000 Korean won breakfast project will continue under the new Lee administration, along with similar initiatives aimed at reversing the trend of declining rice consumption. Policy makers have broad consensus on the need for these initiatives, which have attracted additional co-sponsors from private and public organizations, as well as local government participation.

Rice Trade

Post Seoul forecasts that MY 2025/26 rice imports will remain unchanged because of the ROK's WTO obligations. In accordance with WTO commitments, the ROK imports 408,700 MT of rice annually on a most favored nation (MFN) basis at the current duty level of 5 percent under a tariff rate quota (TRQ) regime implemented in 2015. At the end of 2019, following negotiations to resolve a WTO dispute on rice tariffication, the ROK allocated 388,700 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), while it 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 at the weekly auctions since November 2023, causing a build-up of stocks of imported U.S. table rice dating back to the 2021 WTO TRQ (2022 crop year). According to MAFRA, they are closely monitoring the domestic rice price to determine the right timing to resume U.S. table rice auctions. Despite the recent rebound in domestic rice prices, MAFRA has not specified any plans yet. Meanwhile, auctions for rice imported under the 2024 TRQ from other origins are ongoing, and table rice from the Thai and Vietnamese 2023 CSQs has been fully auctioned.

Due to the prolonged storage period, the remaining volume of U.S. table rice imported under the 2021 and 2022 TRQs is scheduled to be transferred into liquor processing at pre-set periods of distribution. Although MAFRA has assured stakeholders that it can maintain the quality of 3-year-old imported table rice kept in storage, the older crop is seemingly no longer available for commercial sales due to the lack of interest by consumers and retailers.

Table 1
Status of aT Table Rice Auctions under the 2024 TRQ
(Metric Tons, Milled Basis, as of June 16, 2025)

Commodity (Auction Period)	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	1,083	817	57	2,537
	#1 ^{a/}	200	99	101	50	4,539
Vietnamese Long Grain (Aug. 26, 2024, ~ Apr. 11, 2025)	#1	900	853	47	95	2,338
Total	-	43,000	2,036	40,964	5	N/A

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

1/ Weighted average in Korean Won per Kg

a/ Hom Mali

Table 2**Status of aT Table Rice Auctions under the 2023 TRQ**

(Metric Tons, Milled Basis, as of June 16, 2025)

Commodity (Auction Period)	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 3**Status of aT Table Rice Auctions under the 2022 TRQ**

(Metric Tons, Milled Basis, as of June 16, 2025)

Commodity (Auction Period)	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)

Note(*): Remaining 2022 CSQ U.S. table rice will be transferred into liquor production according to MAFRA's distribution plan

Table 4
Status of aT Table Rice Auctions under the 2021 TRQ
(Metric Tons, Milled Basis, as of June 16, 2025)

Commodity (Auction Period)	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)

Note(*): Remaining 2021 CSQ U.S. table rice will be transferred into liquor production according to MAFRA's distribution plan

1/ Weighted average in Korean Won per Kg

a/ Hom Mali

Domestic Price

The domestic rice price has slowly risen since November 2024, finally reaching the government's target price of 200,000 KRW per 80kg bag in June 2025. The recent price increase was caused by a temporary shortage from some RPCs, which were not able to prepare enough rice during the 2024 harvest season. The government revised its final rice production estimate down unexpectedly late in the year due to widespread brown planthopper infestations during the fall 2024 harvest season. In an explanatory note, MAFRA stated that although the current stock levels have decreased from the previous year, they are similar to regular marketing years and therefore not a cause for concern. However, the Ministry added it will consider future releases of government stocks to prevent sharp increases in the price of rice before the 2025 harvest begins.

Exports

Korea achieved remarkable success in diversifying its export markets as a way to overcome rice oversupplies. Increases were led by both commercial sales and rice aid donations via international organizations including the World Food Programme (WFP). Post Seoul forecasts rice exports will increase further in coming years in line with the government's proactive support for rice exports.

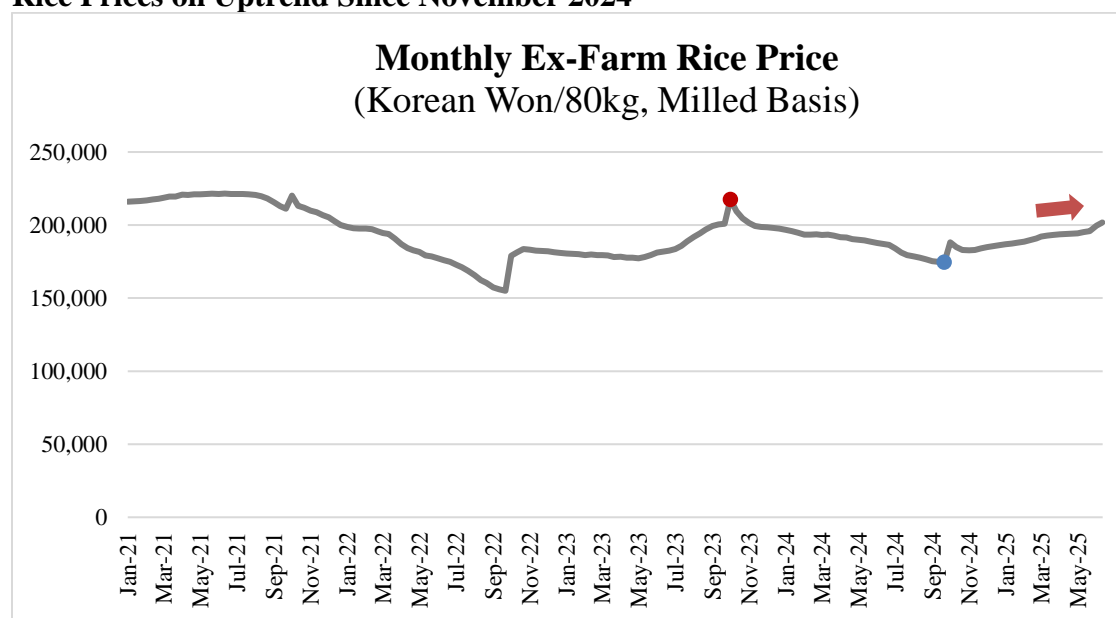
Specifically, exports to Japan continue to increase significantly, and total exports are estimated to reach 1,000 MT in 2025. The first export of Korean rice to Japan in April 2025 was the first time that Korea exported rice for commercial sale to Japan since Statistics Korea began reporting trade data in 1990. The ROK exported some rice for aid in 2011-2012 when the severe earthquake hit Japan. According to the National Agricultural Cooperative Federation, the accumulated contracts to Japan are estimated to reach 800 MT, with further increases likely depending on the supply and demand situation in Japan.

Efforts to facilitate rice exports are moving forward along with streamlining export requirements. On April 15, 2025, MAFRA announced that the Animal and Plant Quarantine Agency (APQA) had completed streamlining the small-packaged rice export requirements to New Zealand. Previously, Korean rice had to obtain a phytosanitary certificate and undergo fumigation upon arrival in New Zealand. Following discussions between APQA and New Zealand to simplify the quarantine process since 2022, these steps are no longer required for small-packaged rice, which is normally immediately packaged after milling and considered low risk for pest infestation. The ROK already adapted the same system with other destinations, including the United States.

As more processed rice products are launched and sold in the global market, some rice processing companies, which were planning to increase their usage for exports, have expressed concerns over the tight supplies of government-supplied rice for processing, which includes both imported and domestic stocks. Currently, the government allocates certain volumes of rice for processing at a low price to each company based on the previous year's purchases. Companies must purchase additional volumes in the open market – dominated by local rice – at the prevailing market price. While the ex-farm price of domestic rice is around 2,500 KRW per kg, the price of government-supplied rice for processing is below 1,000 KRW per kg. According to an official statement from MAFRA quoted by a local media outlet, the Ministry did not have any plans to reconsider the current distribution system or rice TRQ volume.

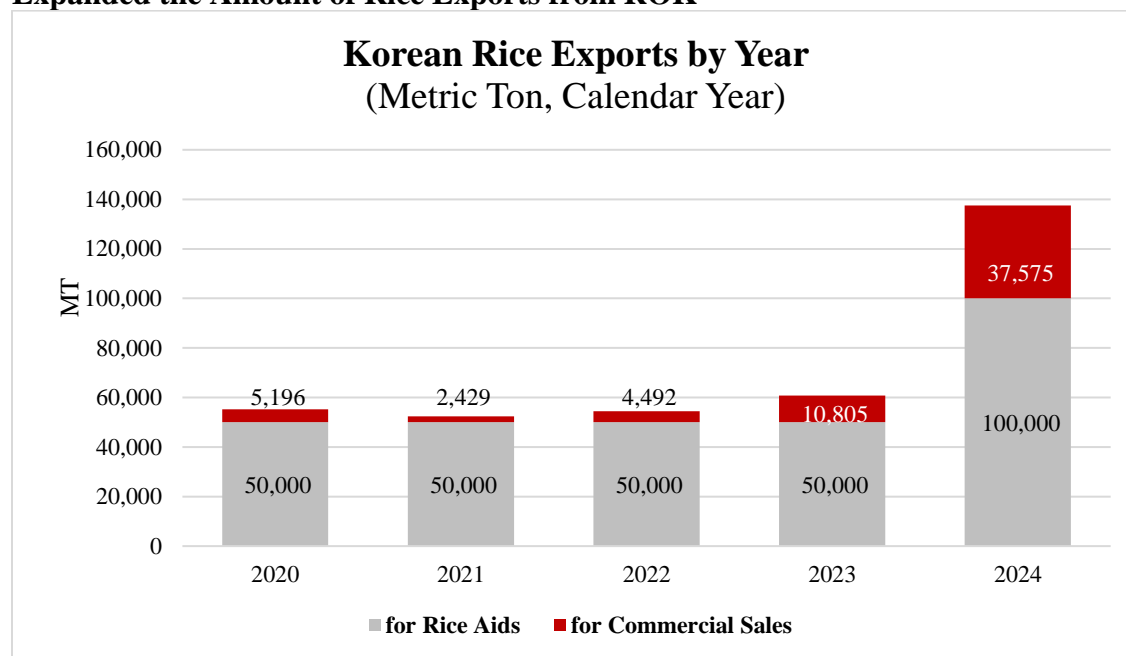
Although not confirmed, local media and industry stakeholders reported that some rice processing companies may consider importing U.S. rice for processing at the out-of-quota tariff of 513 percent and claim a tariff refund when exporting processed rice products to the United States. Under the current tariffication scheme, the import tariff on ingredients can be refunded if the ingredient is supplied from the destination country of the final manufactured product export.

Figure 3
Rice Prices on Uptrend Since November 2024



Source: Korean Statistical Information Service (KOSIS)

Figure 4
Expanded the Amount of Rice Exports from ROK



Source: Korea Trade Statistics Promotion Institute for total exports; MAFRA press release for rice aids

Table 5
Production, Supply and Distribution

Rice, Milled Market Year Begins Korea, Republic of	2023/2024		2024/2025		2025/2026	
	Nov 2023		Nov 2024		Nov 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	708	708	698	698	682	660
Beginning Stocks (1000 MT)	1427	1427	1205	1214	1148	1139
Milled Production (1000 MT)	3702	3702	3585	3585	3540	3440
Rough Production (1000 MT)	4898	4898	4783	4783	4703	4560
Milling Rate (.9999) (1000 MT)	7558	7558	7495	7495	7527	7544
MY Imports (1000 MT)	395	404	408	400	408	408
TY Imports (1000 MT)	413	422	408	400	408	408
TY Imp. from U.S. (1000 MT)	192	196	N/A	N/A	N/A	N/A
Total Supply (1000 MT)	5524	5533	5198	5199	5096	4987
MY Exports (1000 MT)	129	129	170	180	200	200
TY Exports (1000 MT)	138	138	170	180	200	200
Consumption and Residual (1000 MT)	4190	4190	3880	3880	3810	3810
Ending Stocks (1000 MT)	1205	1214	1148	1139	1086	977
Total Distribution (1000 MT)	5524	5533	5198	5199	5096	4987
Yield (Rough) (MT/HA)	6.9181	6.9181	6.8524	6.8524	6.8959	6.9091

(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 June 2025 WASDE data

Attachments:

No Attachments