



Foreign Agricultural Service  
U.S. Agricultural Trade Office



## FAS/Seoul Monitoring of Media Reporting on Agricultural Issues

Today's Date: **Tuesday, April 30, 2019**

For Coverage: **April 15 ~ 30, 2019**

### ***MFDS Testing of 40 Imported Beer and 1 Wine Finds No Agricultural Chemical Residue of Safety Concerns***

<https://www.hankyung.com/it/article/201904281619i>

Summary: Korea Ministry of Food and Drug Safety (MFDS) reported on April 27 that its testing found no 'Glyphosate' residue in 40 imported beer and 1 wine currently in distribution in Korea. MFDS's testing was a follow up on a safety concern that was spreading among Korean consumers after a U.S. consumer group, PIRG, claimed that its testing found Glyphosate contamination in 15 beer (including Budweiser, Corona, Heineken, and Guinness) and 5 wine products in the U.S. market earlier in February this year. Glyphosate is a key component of Roundup, a herbicide developed by Monsanto for GMO crops.

### ***ROKG Cancels Public Hearing on 'Volume Based Liquor Tax' ... Government Plan Faces Strong Opposition from Soju Producers***

<https://news.naver.com/main/read.nhn?oid=015&aid=0004132195>

Summary: The Korean government canceled a public hearing on 'transition to volume based liquor tax' scheduled on April 27. The government did not provide an explanation for the cancellation but marketers assumed that the government plan for a new liquor tax system initiated on behalf of beer producers faced strong opposition from soju producers. The current liquor tax system in Korea is value based and favors products of lower price. As a result, imported beer enjoyed strong growth at the expense of local beer (craft beer in particular). Korea is about the only OECD member country that maintains a value based liquor tax system. Marketers point out that switching to a volume based tax system will promote production and consumption of higher quality products as products will pay the same amount of liquor tax regardless of the retail price. However, soju, a national liquor in Korea with 18 – 40 percent alcohol strength, is likely to see some increase in the liquor tax it pays under volume based system as most of soju producers have been targeting bottom end of the market with very cheap price. It is not clear at this moment what conclusions Korean government will come to on the volume based liquor tax initiative.

### ***1.5 Million Vegetarian Population...Alternative Meat Market Grows in Korea***

<http://www.hankookilbo.com/News/Read/201904221029092124?did=NA&dtype=&dtypecode=&prnewsid=>

Summary: Many new substitute meat products for vegetarians have recently been introduced to the Korean market. As major food companies start offering alternate meat products formerly distributed through small businesses and online malls to large scale grocery chains, the market size will show an increase. In December 2018, Dongwon F&B signed formal import contracts for 'Beyond Meat', an American alternative meat brand and began selling the products through online shopping malls in February, 2019. Lotte Food, which operates a domestic meat brand 'N Nature Zero Meat', also released its products to supermarkets and online shopping malls this month and is promoting sales in larger-scale grocery stores. According to the Korea Vegetarian Union ([www.vege.or.kr](http://www.vege.or.kr)), the number of vegetarians in 2008 was only about 150,000, but increased to 1.0~1.5 million last year. The number of vegetarian restaurants also doubled from 150 in 2010 to 350 in 2018.



Burger made with 'Beyond Meat' Patty,  
Dongwon F&B



Pork Cutlet made with 'N Nature Zero Meat',  
Lotte Food

### ***Leading Soju Brand Announces 6.45% Price Increase in May***

<http://news.donga.com/3/all/20190424/95214552/1>

Summary: Jinro-Hite, the leading soju processor in Korea, announced that the ex-brewery price of its 'Cham-E-Seul' soju will increase 6.45 percent, starting May 1 (from 1,015.7 won to 1,081.2 won per 360 ml bottle). As a result, the consumer price of soju in grocery stores and restaurants is likely to rise by between 100 and 1,000 won per bottle. Other soju processors will soon follow suit and increase their prices. Soju is a national drink in Korea and the price increase will add pressure to the general public who is already facing the challenge of a slowing economy.

### ***Ready-to-Cook "Meal Kit" Market Expands***

<https://news.naver.com/main/read.nhn?mode=LSD&mid=sec&oid=031&aid=0000489967&sid1=001>

Summary: CJ Cheiljedang, the leading food company in Korea, announced that it recently entered into "Meal Kit" market with 'Cookit' brand. Other major Korean food processors and retailers have also launched meal kit business recently. Examples include Eats On by Korea Yakult, Chef Box by Hyundai Department Store, Yorihada by Lotte Mart, Simply Cook by GS Retail, and Mom's Kit by Dongwon Home Food. According to the industry, meal kit market will generate \$600 million cash register sales within a couple of years. Wemakeprice.com, a leading on-line retailer in Korea, reported that its meal kit category sales saw double digit growth this year.



### ***Agricultural Chemical Residue Inspections on Imported Agricultural Products Got Tougher under New Positive List System, MFDS***

<http://news.donga.com/3/all/20190424/95194417/1>

Summary: Ministry of Food and Drug Safety (MFDS) reported that the PLS (Positive List System) for agricultural chemical residues newly introduced this year has strengthen MFDS's food safety management on imported agricultural products. Several shipments of imported agricultural products, including mushrooms from China, Basil from Thailand, and Lentil peas from Australia, were rejected so far this year as they violated PLS standards.

### ***MFDS Survey Finds Half of Fruit-Vegetable Beverages in the Market Containing Excessive Amount of Sugar***

<http://news.donga.com/3/all/20190419/95124741/1>

Summary: Korea Ministry of Food and Drug Safety (MFDS) reported that its recent survey revealed that 170 of 334 fruit-vegetable beverages sold in local retail market contained levels of sugar that exceed official dietary guidelines for children (17 gram per 200 milliliter). Among the 170 products surveyed, imported products were 60. The average amount of sugar in the products was 23.8 grams for imported products and 21.9 grams for local products, per 200 milliliter. MFDS pointed out that Korean's daily sugar intake had continually increased from 69.9 gram in 2010 to 73.6 gram in 2016. In particular, the daily sugar intake by juveniles between 12 to 18 years old soared to 80.8 gram in 2016. MFDS will strengthen its consumer and industry campaign with a goal to lower the sugar intake to the health guideline level, which is 50 gram per day for adult consumers, by 2020.

### ***China Allows Imports of Korean Feed Supplements***

<https://www.hankyung.com/economy/article/2019041615481>

Summary: Korea's Ministry of Agriculture, Food and Rural Affairs (MAFRA) announced on April 16 that the Chinese government agreed to allow imports of Korean feed supplements. MAFRA pointed out that three leading Korean feed processors registered with Chinese authority as a result of the agreement. According to MAFTA, China is the number one feed market in the world with \$76 billion dollars of annual market sales.

### ***Coupang, the Number One On-line Retailer in Korea, Reports 4.4 Trillion Won of Sales and 1.1 Trillion Won of Deficit in 2018***

<http://news.donga.com/3/all/20190415/95065739/1>

Summary: Coupang, the leading on-line commerce company in Korea, reported that its product sales in 2018 amounted to a record high, 4.4 trillion won (about \$4 billion), up 65 percent from the previous year. However, Coupang's operation deficit also widened to 1.1 trillion won (about \$1 billion) in 2018. Coupang explained that its aggressive investment to expand warehouses and delivery service was the main cause of the deficit. As a result of the investment, Coupang's warehouses increased to a size equivalent to 167 football fields, in 12 locations throughout Korea, and the number of products that Coupang offered increased to 5 million by the end of 2018. Coupang said its aggressive investment would continue in the coming years to further its sales and capacity.

### ***Juyoun Jun, the First Korean to Win World Barista Championship (WBC)***

<https://www.hankyung.com/economy/article/201904155736i>

Summary: Juyoung Jun, a barista who works in a café in Busan, won the World Barista Championship 2019 held in Boston, USA on April 14 as a Korean national. The Korean coffee industry has welcomed Ms. Jun's great accomplishment. Ms. Jun became the second female champion to win the WBC.



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