



Foreign Agricultural Service
U.S. Agricultural Trade Office



FAS/Seoul Monitoring of Media Reporting on Agricultural Issues

Today's Date: **Wednesday, July 31, 2019**

For Coverage: **July 24 ~ 31, 2019**

Nongshim Holds Off On Plan to Switch to American Shrimp

<https://www.hankyung.com/economy/article/2019073016821>

Summary: Nongshim, a leading food processor in Korea, announced on July 30 that it decided to delay its plan to switch entirely to American shrimp for its Saewookkang snack program. Instead, Nongshim will continue to purchase local shrimp. Nongshim switched ingredient shrimp for its flagship snack program, Saewookkang (shrimp snack), earlier this year from local 'flower shrimp' caught in the West sea out of Gunsan city, Junrabukdo province to imported American shrimp. Nongshim explained that the switch was due to quality issues in local shrimp (mainly inclusion of foreign material) and imported 400 metric tons of shrimp from the United States as replacement. As a result, the price of local flower shrimp plunged over 60 percent, resulting in protests by local fishermen. Junrabukdo provincial government together with Gunsan city government mediated a resolution on behalf of the local fishermen and guaranteed quality management on the local flower shrimp. Nongshim will monitor the quality of local flower shrimp and adjust its purchase of imported American shrimp.



Local Production of Agricultural Products Shifts ... Staple Grains Decline while Meat and Fruits Increase

<https://www.hankyung.com/economy/article/2019072983711>

Summary: Korea's National Statistics Office released a report titled 'Major agricultural production data, 1980-2018' on July 29. According to the data, Korea's production of agricultural products has shifted significantly over the years due to new consumption trends. For example, production of staple food grains/crops (including rice, barley, naked barley, and sweet potatoes) declined 2 to 6 percent a year for the last 10 years. On the other hand, meat and fruits increased production due to increased consumption. Flavor vegetables, including garlic and onions, also reported increased production.

AB-InBev Offers OB Beer for Acquisition

<https://www.hankyung.com/finance/article/2019072959631>

Summary: AB-InBev, the world's largest brewing conglomerate behind brands like Budweiser, Miller, Coors, Corona, Bass, Becks, Leffe, St Pauli Girl, Stella, Busch, Natural Light and nearly 400 others) has reportedly decided to sell off OB Beer, the leading brewing company in Korea. AB-InBev acquired OB Beer in 2014 at about \$5.5 billion. OB Beer's sales revenue and operation profit amounted to \$1.5 billion and \$450 million respectively in 2018. Marketers forecast that leading local food conglomerates with an existing beer business arm, such as Lotte and Shinsegae, will show interest in acquiring OB Beer. AB-InBev's asking price for OB Beer would be around \$8.2 billion.

Korea's Agriculture Ministry Classifies Insects as Livestock

<http://news.kbs.co.kr/news/view.do?ncd=4248721&ref=A>

Summary: The Ministry of Agriculture, Food and Rural Affairs (MAFRA) said that starting July 25, insects are officially acknowledged as "other animals defined as livestock" under the Livestock Industry Act. According to this revision, insects included under livestock consist of 14 species, including meal beetles, silkworms, carpenter bees, lightning bugs, grasshoppers, crickets, large centipedes, etc. Meal beetle larvae can be used for food, large centipedes for medicinal purpose, and crickets for animal feed. In addition, beetles may be used as an educational material or a pet, and bees as a pollen vector. MAFRA also added that these species are all Korean native insects currently in production and distribution and so represent low ecological risk.

The information in this report was compiled by the [Agricultural Trade Office \(ATO\)](#) at the U.S. Embassy in Seoul, South Korea. The press summaries contained herein do NOT reflect USDA, the U.S. Embassy, or other U.S. government agency official policy or view point. U.S. food exporters can learn more about market opportunities in South Korea by reviewing ATO Seoul's [Exporter Guide](#) and other reports available at www.fas.usda.gov by clicking on "attaché reports.