



Foreign Agricultural Service
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New Agriculture Minister Nominee Says Korea May Lose Developing Country Status in WTO, Says Rice Subsidy Reform His Top Priority

<https://www.hankyung.com/economy/article/2019082973421>

Summary: Hyunsoo Kim, new Minister designate for the Korea Ministry of Agriculture, Food, and Rural Affairs (MAFRA) said in a national assembly hearing on August 29 that his top priority as MAFRA minister would be to transform the existing rice-centered agricultural subsidy program to a new subsidy program that covers all agricultural crops. Mr. Kim pointed out that MAFRA's budget for agricultural subsidies will increase from 1.4 trillion won this year to 2.2 trillion won (about \$1.8 billion) next year to realize the new initiative. Kim also commented in the hearing that the status of Korea under the WTO will likely change to 'developed country' in the near future, which would force Korea to lower tariffs on imported agricultural products. Post comment: South Korea's GDP per capita was \$29,750 in 2017 according to the IMF, slightly higher than Spain.

Shake Shack Opens 10th Store in Korea

<http://www.babytimes.co.kr/news/articleView.html?idxno=29600>

Summary: Shake Shack opened its 10th store in Korea in Gwangmun, Seoul. The new store was the chain's fifth store in Seoul.



Candlelight Protest Against U.S. Beef Import Still Ranks as One of the Ten Cases in Korea's Modern History that Impacted the People's Life in their Forties

http://news.chosun.com/site/data/html_dir/2019/08/28/2019082800075.html

Summary: According to a survey conducted among 700 people in their forties, the candle light protest against U.S. beef imports still ranks as one of the top ten events that has impacted their life. Although it was the lowest among historical issues in modern history, it still shows the amount of impact that the beef issue had on Koreans in their forties. Among the people surveyed, the 1997 Financial crisis (43.1 percent) was listed as the issue that had most impacted their lives, followed by the democratization movement in 1987 (10.6), World cup series in 2002 (9.6), impeachment of late President Roh, Moo Hyun in 2004 (8.7), Sewol ferry incident in 2014 (6.7), passing of the late President Roh, Moo Hyun in 2009 (6.7), candle light protest against former President Park, Kun Hae in 2016 (6.6), Financial crisis in 2008~2009 (5.1), and candlelight protest against U.S. beef imports (0.7). The number in the bracket represents the percentage of people that chose the incident as their top issue.

South Korea to Ban Colored PET Plastic Bottles and PVC Films in Consumer Product Packaging from December 25, 2019

<https://cnbc.sbs.co.kr/article/10000953256?division=NAVER>

Summary: The Korea Ministry of Environment (KME) will introduce strengthened standards for use of plastic materials in product packaging from December 25. Under the new standards, colored PET plastics (e.g., beverage bottles) and PVC films (e.g., wraps outside paper boxes) will not be allowed. Labels on plastic bottles will be required to be attached using removal-friendly glue materials only. In addition, packages will carry a grade mark for recycle-friendliness. There will be four grades, from 'the most recycle-friendly' down to 'difficult to recycle.' This will help consumers make environment-friendly purchase decisions. KME plans to provide a nine month grace period to support the industry to adopt the new standards. Violations after the grace period may result in up to a one billion won fine (about \$900,000) and a sales ban.

Korean Food Processing Industry Generated \$69 Billion of Production in 2018 ... Prepared Foods Up ... Dairies Down

<https://www.hankyung.com/society/article/2019082561831>

Summary: The Korean Ministry of Food and Drug Safety (MFDS) reported on August 25 that the local food processing industry generated 78.9 trillion won (about \$69 billion) in 2018, up 5 percent from the previous year. The food processing industry accounted for 4.4 percent of Korea's Gross Domestic Production (GDP). Packaged pork meat was the top processed food product with 6.2 trillion won worth of production, followed by packaged beef (5 trillion won), Marinated meat (3.3 trillion won), ready-to-cook prepared foods (3.4 trillion won), sauces (2.6 trillion won), and milk (2.4 trillion won). Ready-to-cook prepared foods and health functional foods both expanded rapidly, growing 15.4 percent and 16.7 percent respectively. Milk production, in contrast, declined 6.4 percent. MFDS explained that the falling birth rate was taking a toll on local dairy production. Domestic beer production also marked 13.8 percent decline to 0.8 trillion due increased beer imports.

Young Consumers Become a Major Buyer for Health Functional Foods ... Strong Interest in Inner-Beauty Products

<https://www.hankyung.com/economy/article/2019082561271>

Summary: Leading health & beauty retailers reported that young consumers in their teens and twenties have become major buyers of functional foods. For example, Lalabla reported that sales of health and functional foods to young consumers grew 74 percent this year, compared to 35 percent growth in sales to consumers in forties and fifties. Functional foods, at \$461 million, was the top product category that Korean consumers purchased directly from foreign on-line shops last year and young consumers were the largest purchasers.

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."