



Foreign Agricultural Service
U.S. Agricultural Trade Office



FAS/Seoul Monitoring of Media Reporting on Agricultural Issues

Today's Date: **Wednesday, February 15, 2017**

For Coverage: **February 08~15, 2017**

Additional Possible FMD Cases Reported ... ROKG's FMD Vaccination Program Might be Flawed

<http://news.donga.com/3/all/20170214/82851445/1>

Summary: Korea Ministry of Agriculture, Food and Rural Affairs (MAFRA) reported that two cattle farms in Boeun district, Choongbuk province reported suspicious Foot and Mouth Disease (FMD) cases on February 13. If the cases are confirmed as actual outbreaks, total number of FMD outbreaks in the country will be increased to 8. The two new suspicious cases in Boeun district are within 3 kilometer radius from the four cattle farms that already had FMD outbreaks earlier this year. The continued spread of FMD in the country indicates that the FMD vaccination program administered by the Korean government since the last, large-scale outbreak in 2012 might be flawed. A recent government investigation revealed that a very low percentage of vaccinated cattle actually developed antibodies against FMD. The Korean government announced that it was going to have all the cattle farms in the country vaccinated again within February, a National Assembly report on February 13 revealed that the amount of FMD vaccine available currently was 38 percent less than the volume need to cover all 190 million cattle in Korea. The Korean government admitted that it would import additional vaccine from foreign countries urgently but now it will take much more time to realize the Korean government's earlier vaccination plan.

Consumer Price of Livestock Products Up 9.5% in January ... Due to Reduced Supply under Avian Influenza and Foot and Mouth Disease

<http://news.donga.com/3/all/20170213/82851265/1>

Summary: Korea National Statistics Office (NTS) reported on February 13 that the consumer price of livestock products showed 9.5 percent increase in January 2017, compared to the same month in the previous year. This was the highest monthly price increase of livestock products since June 2014. Eggs were the leading item that led the price increase by showing 61.1 percent increase in January due to the reduced supply under large-scale outbreaks of avian influenza in local farms. Prices of alternative meat products such as pork and beef also increased 4.5 percent and 4.7 percent, respectively, during the month. NTS added that the strong price of livestock products may continue in the coming months as supply of beef and pork could also be on a decline due to outbreaks of Foot and Mouth Disease in local farms that started in late January.

Korean Government to Reduce Rice Acreage by 35,000 Ha in 2017

<http://www.hankyung.com/news/app/newsview.php?aid=2017020965431>

Summary: The Korea Ministry of Agriculture, Food and Rural Affairs (MAFRA) announced on February 6 that it would reduce the rice acreage in the country by 35,000 hectare for the coming cultivation season. As a result, total rice acreage in the country would be reduced to 744,000 hectare in 2017. To realize the plan, MAFRA would offer incentive programs to provincial governments as well as drop some of high yield rice varieties from its cultivation subsidy program. However, marketers point out that this government plan would not be enough to achieve the goal of reducing overall rice production in Korea.

Shake Shack Burger to Open Its Third Store in Seoul in April

<http://news.join.com/article/21235753>

Summary: SPC Group, the Korean franchisee of Shake Shack Burger, announced that its third Shake Shack store will open in Seoul's Dongdamun area in April. According to SPC Group, the first and second Shake Shack Burger store,

both located in the Gangnam area, are continuing a strong business as they currently sell 3,000 and 2,000 burgers a day, respectively. SPC Group added that the third store in Dongdaemun area will further expand the consumer base in Seoul.

Imports of Chocolate and Candy Products Increase for 6 Years in a Row

<http://www.hankyung.com/news/app/newsview.php?aid=2017020966281>

Summary: According to the Korea Customs Office, imports of chocolate and candy products amounted to \$370 million in 2016, up 8.8 percent from the previous year. The United States was the leading origin of the imported chocolate and candy products by accounting for a 17.4 percent of imports, followed by Italy (12.5%), China (12.3%), and Belgium (10.3%).

Koreans Eat 58.4 Kg of Seafood a Year Per Person ... Highest Amount in the World, UN/FAO

<http://news.donga.com/3/all/20170212/82833554/1>

Summary: According to UN/FAO data, Korean per capita seafood consumption during 2013-2015 amounted to 58.4 kilograms a year, which was the highest amount in the world. Norway (53.3 kilograms), Japan (50.2 kilograms) and China (39.5 kilograms) were other leading countries in the world for per capita seafood consumption. Squid was the most consumed seafood in Korea (5.4 kilograms a year), followed by shrimp (4.5 kilograms) and anchovy (4.2 kilograms). However, UN/FAO data forecast that Korea's local seafood catch would continue a decline in the coming years. Korea's local seafood supply was forecast to decline 2.9 percent by 2025 to 1.98 million metric tons. As a result, Korea's seafood imports were forecast to increase 14 percent by 2025 to 240,000 metric tons.

Sales of Imported Beef in Hypermarket Stores Up 12% after Foot and Mouth Disease Outbreak in Local Farms

<http://news.donga.com/3/all/20170212/82833881/1>

Summary: Sales of imported beef in E Mart, the leading hypermarket grocery store in Korea, saw 12 percent growth since the outbreak of foot and mouth disease (FMD) in local cattle farms on February 5. During the period, sales of local beef in the store declined 19.6 percent.

Retail Price of Shell Eggs Plunges ... Returns to Below 8,000 Won per 30 Pack

<http://www.yonhapnews.co.kr/bulletin/2017/02/10/0200000000AKR20170210135500030.HTML?input=1195m>

Summary: On February 10, the retail price of a 30 egg pack in Korea was on average 7,892 won, according to a market survey by the Korea Agro-Fishery Marketing Corporation (aT). The price of eggs has been on a rapid decline after hitting a record high, 9,543 won, right before the Lunar New Year's Day in late January.

ROKG to Administer FMD Vaccination to All 3 Million Cattle in the Country by February 14 to Prevent Spread of FMD

<http://news.donga.com/3/all/20170209/82782334/1>

Summary: Korea Ministry of Agriculture, Food and Rural Affairs (MAFRA) announced on February 8 that it was carrying out a mandatory FMD vaccination program to have all the 3.1 million cattle in the country vaccinated for Foot and Mouth Disease (FMD) by February 14. This is a measure to prevent further spread of the outbreak of FMD reported in three cattle farms in three different locations in the country earlier in February. However, a criticism is developing in the industry as the former FMD vaccination program carried out by MFDS since 2010 has reportedly developed a very low 5% success rate of securing antibody in the cattle, which contradicted the 97.5 percent success rate announced by MFDS. MFDS's own investigation has revealed that there were many mistakes in its success rate survey.

Consumption of Chicken Meat Rebounds ... Leading Retail Stores Raise the Price 8%

<http://news.donga.com/3/all/20170209/82781995/1>

Summary: It is reported that sales of chicken meat in the market is showing a sign of recovery after a steep decline during the last couple of months due to outbreaks of avian influenza in local farms. Reflecting the increased demand, leading retail store chains have announced that they raised the retail price of chicken meat this week. E Mart reported that its whole chicken meat price was increased from 4,980 won to 5,280 won per bird on February 8. Other leading retailers have announced similar, 6 to 8 percent price increase on chicken meat.

Mothers Express Serious Concerns on Radiation Risk in Imported Infant Formula

<http://www.hankyung.com/news/app/newsview.php?aid=2017020832041>

Summary: A leading internet community of young mothers in Korea, Mom's Holic, has seen a surge of articles and dialogues among member mothers on the issue of potential radiation risk in imported infant formula. The issue started on February 5 after a member mother posted an article about the results of a lab analysis that a Japanese consumer group did on imported infant formula in the Japanese market. According to the article, many of the leading imported infant formula products from Germany, Switzerland and England were contaminated by Cesium, a radioactive substance. Some of the member mothers have brought the question to the Korea Ministry of Food and Drug Safety (MFDS) for an answer. However, much of the imported infant formula products marketed in Korea currently are purchased from foreign on-line shops directly by the consumers for personal consumption and as a result are not subject to MFDS's official import safety tests. Marketers point out that this is a serious issue to the mothers as they switched the origin of imported infant formula from Japan to safe countries such as Germany after Hukusima nuclear accident in Japan some years ago. Imported products currently account for 16 percent of the infant formula market in Korea. In particular, Aptamill from Germany is enjoying over 90 percent of the market share among the imported products.

"Norovirus alert" for Fresh Oyster Prior to US FDA Audit in March

<http://news.kbs.co.kr/news/view.do?ncd=3421487&ref=A>

Summary: Korean oyster industry is under alert prior to the upcoming US FDA audit in March due to the detection of "Norovirus" from a fresh oyster product at a big supermarket on 1/25/2017. As a result of "Norovirus" detection which caused a food poisoning, two big supermarket chains stopped the sales of fresh oysters on January 29th. The South Kyoungsang Provincial government also requested oyster farmers to refrain from harvesting at some parts of the southern seacoast, where the Norovirus was detected. The Korean oyster industry is taking a countermeasure to cut off the pollution source.

Retailers Stage Tree Nut Sales Promotions Targeting the First Full Moon Day of the Year

<http://news.kmib.co.kr/article/view.asp?arcid=0923691374&code=11151400&cp=nv>

Summary: Koreans have a long tradition of eating tree nuts on 'Jung-Wol-Dae-Bo-Rum', the first full moon day in the lunar calendar (February 11 in 2017), to wish good teeth health. Major retail stores have staged special sales promotions on tree nuts to attract the consumers.



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."