

# ***Korean Agriculture***

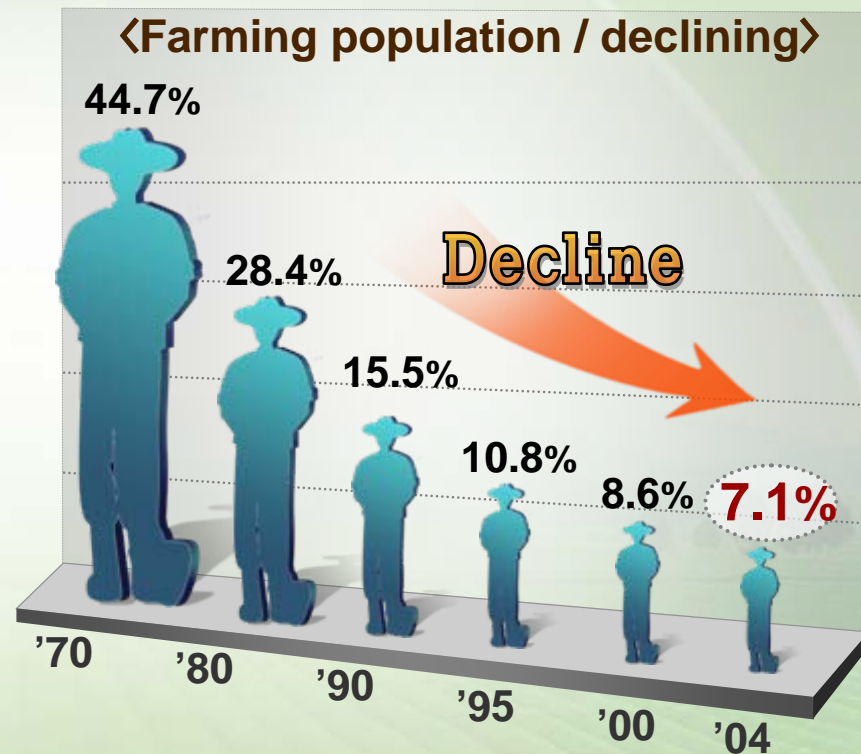
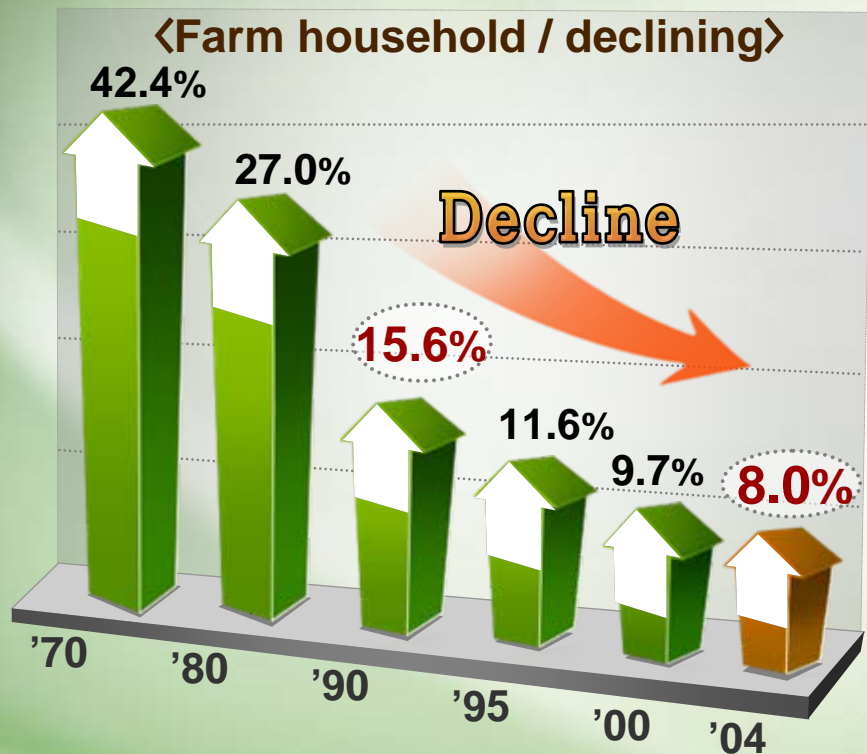


Ministry of Agriculture & Forestry  
Republic of Korea

# Structure in Agriculture

## Farm Household and Farming population

Farming population continuously declined due mainly to urbanization and poor living condition in rural area.

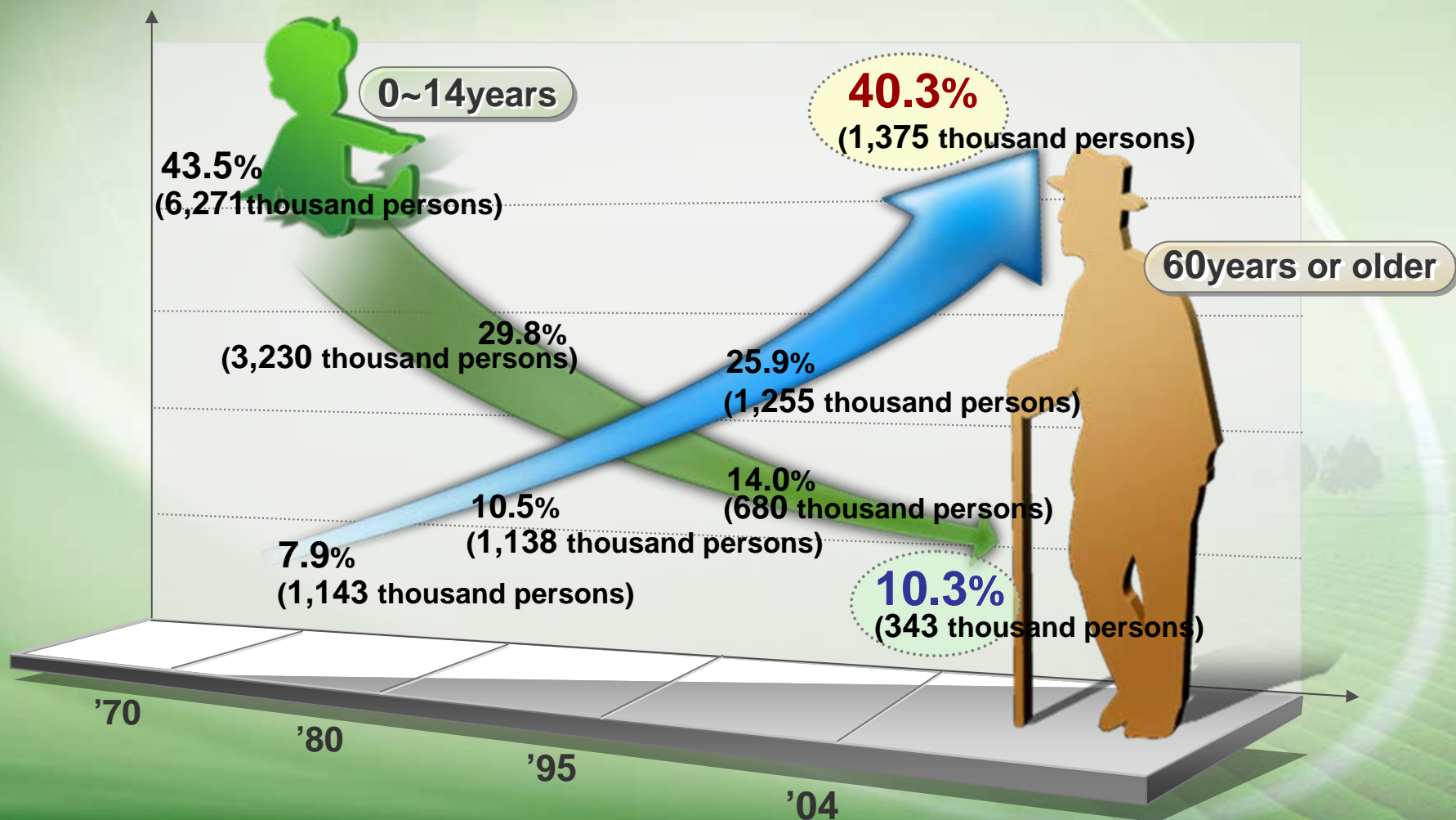


Labor force employed in agricultural sector dropped by **21.6%** from 2.55mil in 1992 to 2mil in 2002.

# Structure in Agriculture

## Farm Household and Farming population

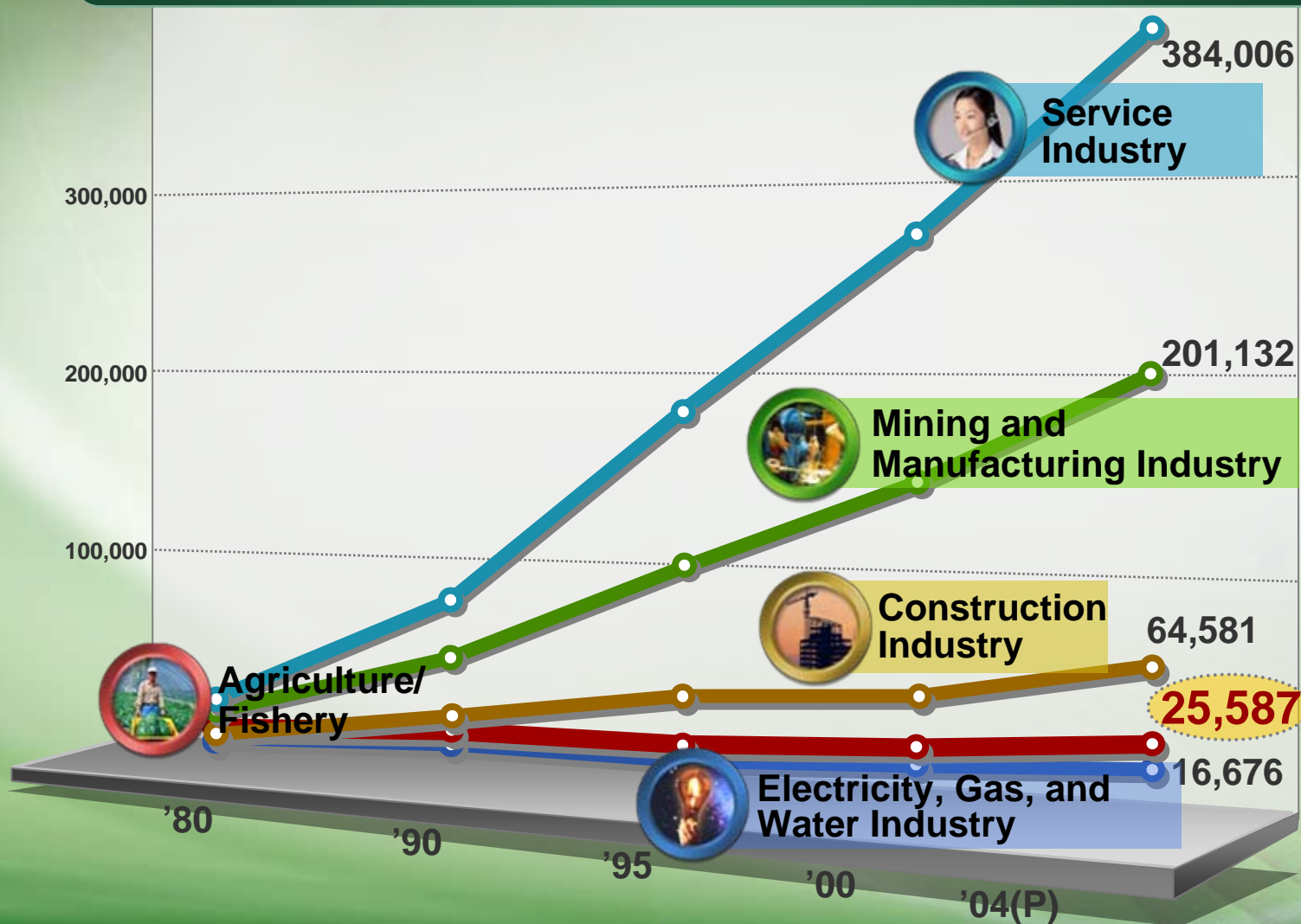
With population aged 60 or older rapidly increasing, aging in rural area becomes a serious issue



# Structure in Agriculture

GNI by economic activity

The portion agriculture and fishery make up continued to decrease because of industrialization policy



# Structure in Agriculture

## Acreage and Farm size

Farmland conversion due to various development plans  
caused decline in cultivation acreage



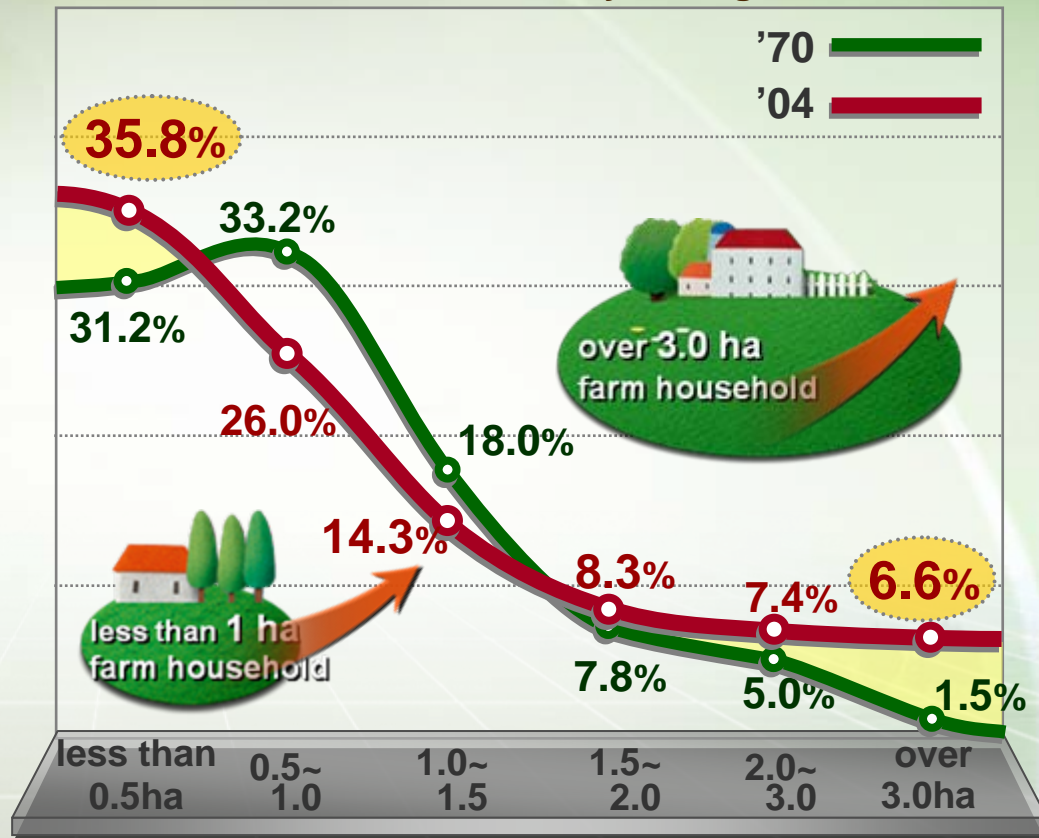
# Structure in Agriculture

## Acreage and Farm size

nation	cultivation acreage per farmer	ranking
 Canada	61.42	1
 Australia	56.19	2
 USA	29.37	3
 Denmark	12.21	4
 France	10.78	5
⋮	⋮	⋮
 Korea	0.52ha	139

Small scale farming

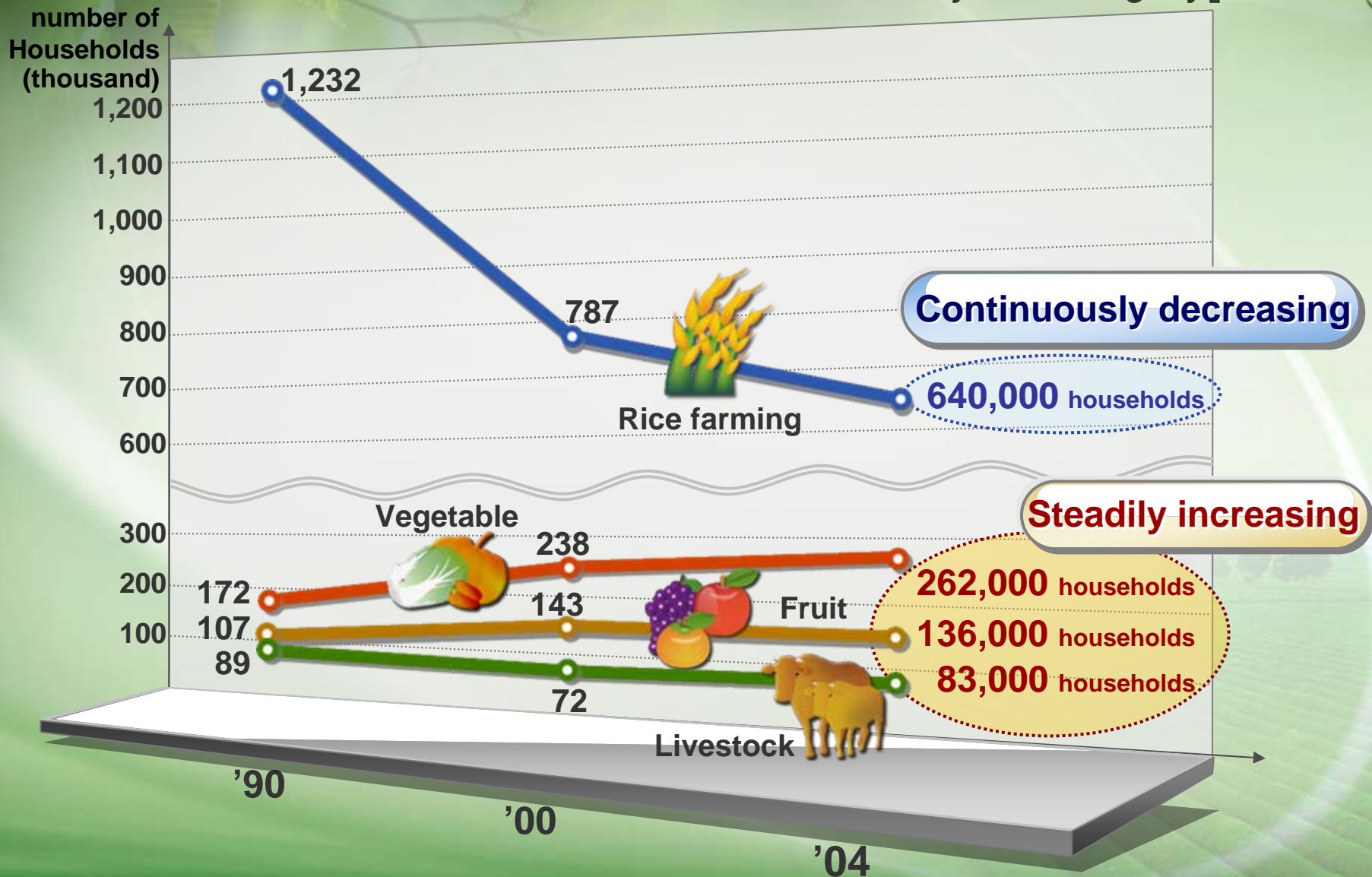
〈Farm household by acreage〉



Serious gap in farming scale

# Structure in Agriculture

## Number of Farm household by farming type



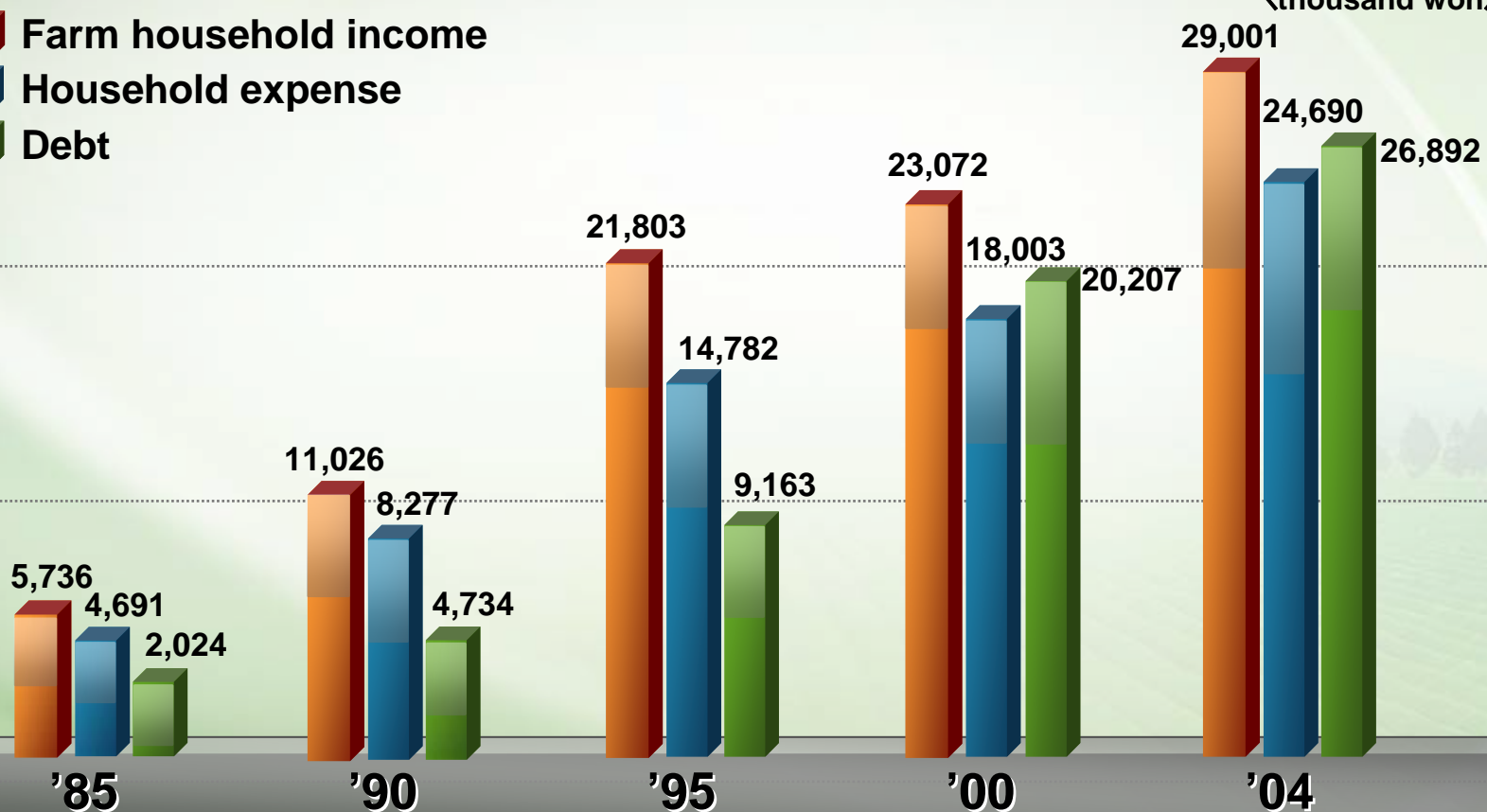
# Agriculture Economy

1995~1999

Farm household economy worsened because farm household income stagnated while farm household debts and living expenses continued to grow

-  Farm household income
-  Household expense
-  Debt

<thousand won>



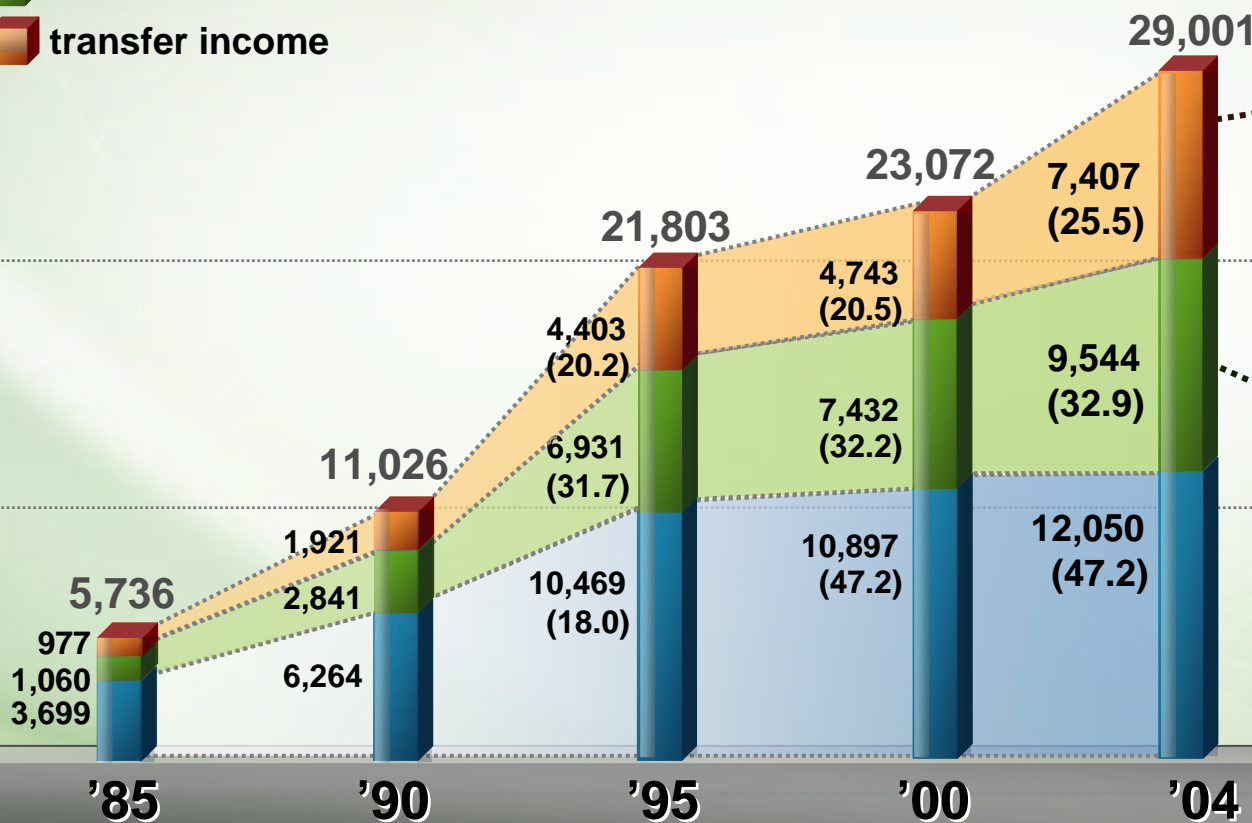
# Agriculture Economy

## Farm household income source

The most part of the income come from agricultural income, but the portion of non-farm income and transfer income continuously expands.

- farm household income
- non-farm income
- transfer income

〈thousand won, %〉



Increase in transfer income → Government support such as **direct payment** increased

Non-farm employment opportunity is limited (compared to 61% in Japan)

# Agriculture Economy

## Farm Household Debt

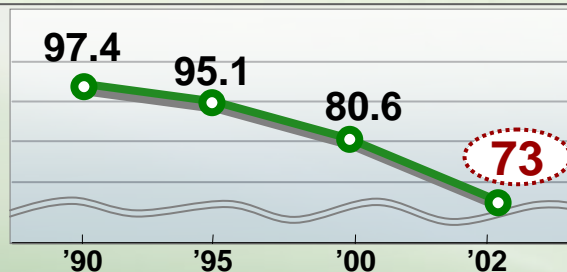
The bigger and the younger the farm household is, the debt is higher.

A serious obstacle to future agricultural development

<thousand won>



## Relative income compared to urban household



※ Relative income

$$\frac{\text{Farm household income}}{\text{urban household income}} \times 100$$

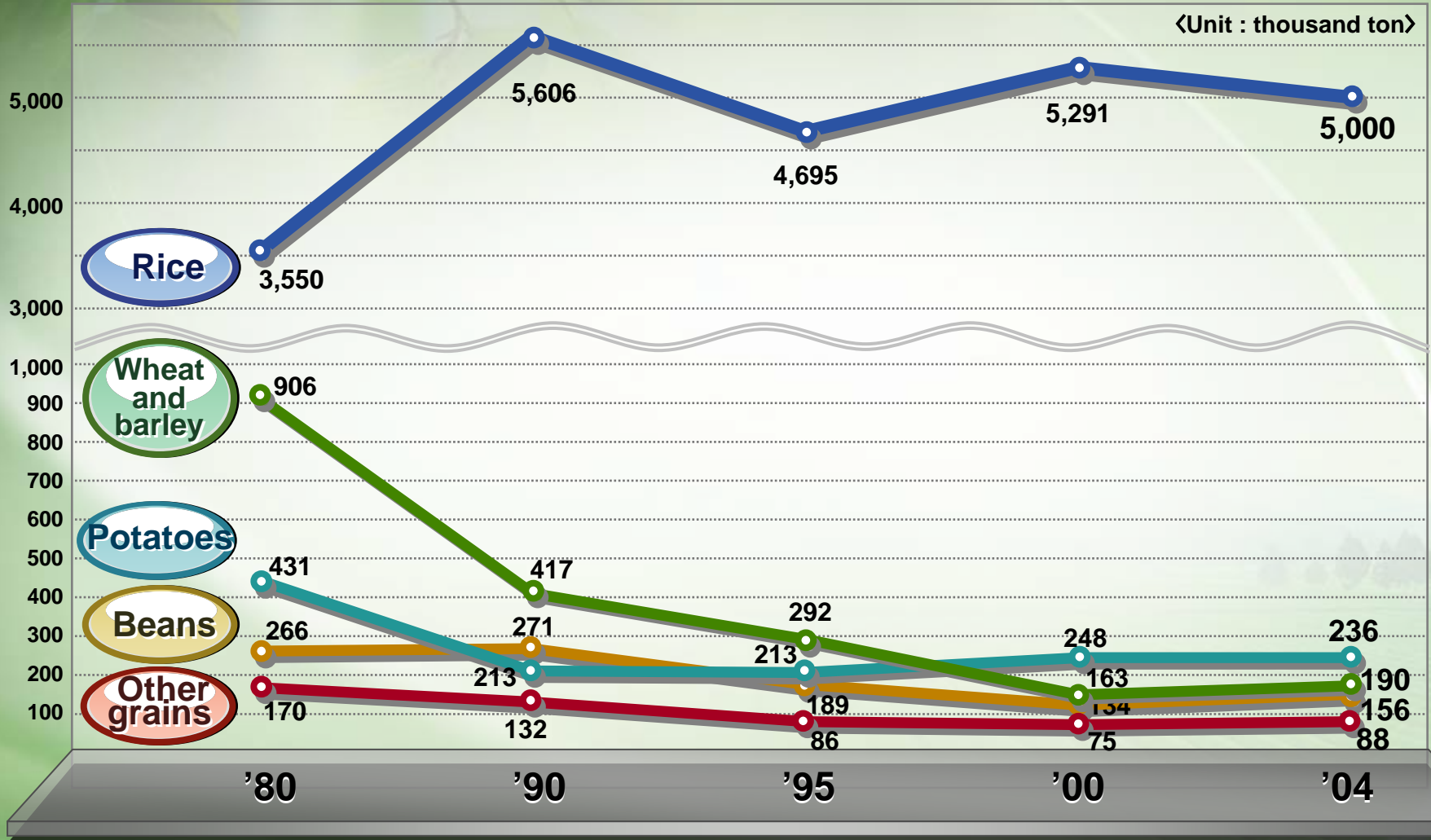
# Agricultural Production

Rice production out of the total → **26.7%**(very high)

'03					
			〈Unit : 100mil won〉		
Rank	Product	Value	Rank	Product	Value
Agriculture and fishery industry		330,163	Agriculture and fishery industry		
1	 <b>Rice</b>	<b>88,359</b>	6	 Egg	6,950
2	 Pig	26,812	7	 Strawberry	6,923
3	 Cow	24,633	8	 Chinese cabbage	6,764
4	 Milk	14,789	9	 Chicken	6,412
5	 Dry red pepper	8,165	10	 Grape	6,360
<b>Total</b>		<b>126,758</b>	<b>Total</b>		<b>196,167</b>

# Agricultural Production

## Grain



\*Korea ranks 13th in rice production and 11th in yield per hectare in the world as of 2003

# Agricultural Consumption

Grain

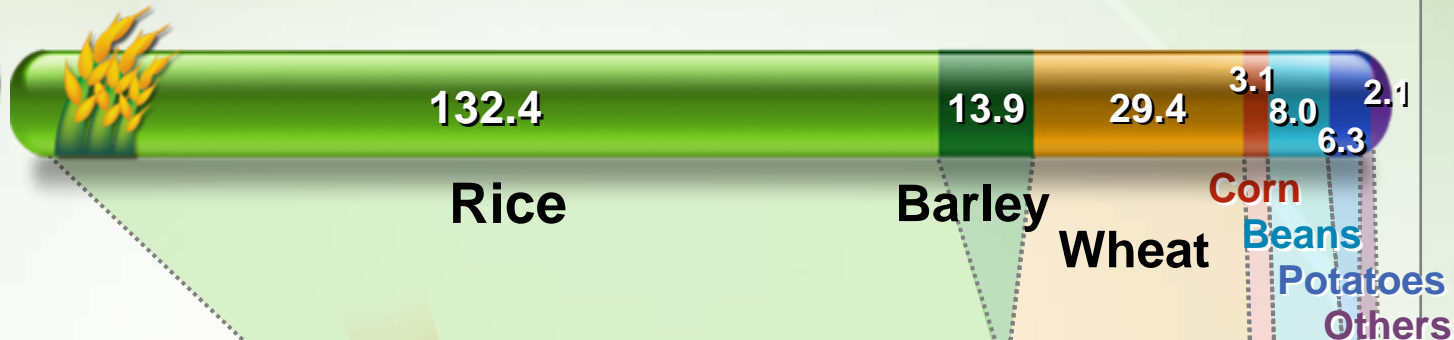
Annual consumption of grains per capita

Diversified dietary habit

**Continuous decline** in rice consumption



'80



<Unit : kg>

'95



'04



# Agricultural Consumption

## Fruits and Vegetables

### Fruit Yield

<Unit : thousand ton>

	Total	Apple	Pear	Grape	Peach	Orange	Other
'80	833	410	60	57	89	161	57
'90	1,766	629	159	131	115	493	239
'95	2,300	716	178	316	130	615	345
'00	2,429	489	324	476	170	563	406
'04	2,411	357	452	268	201	584	449

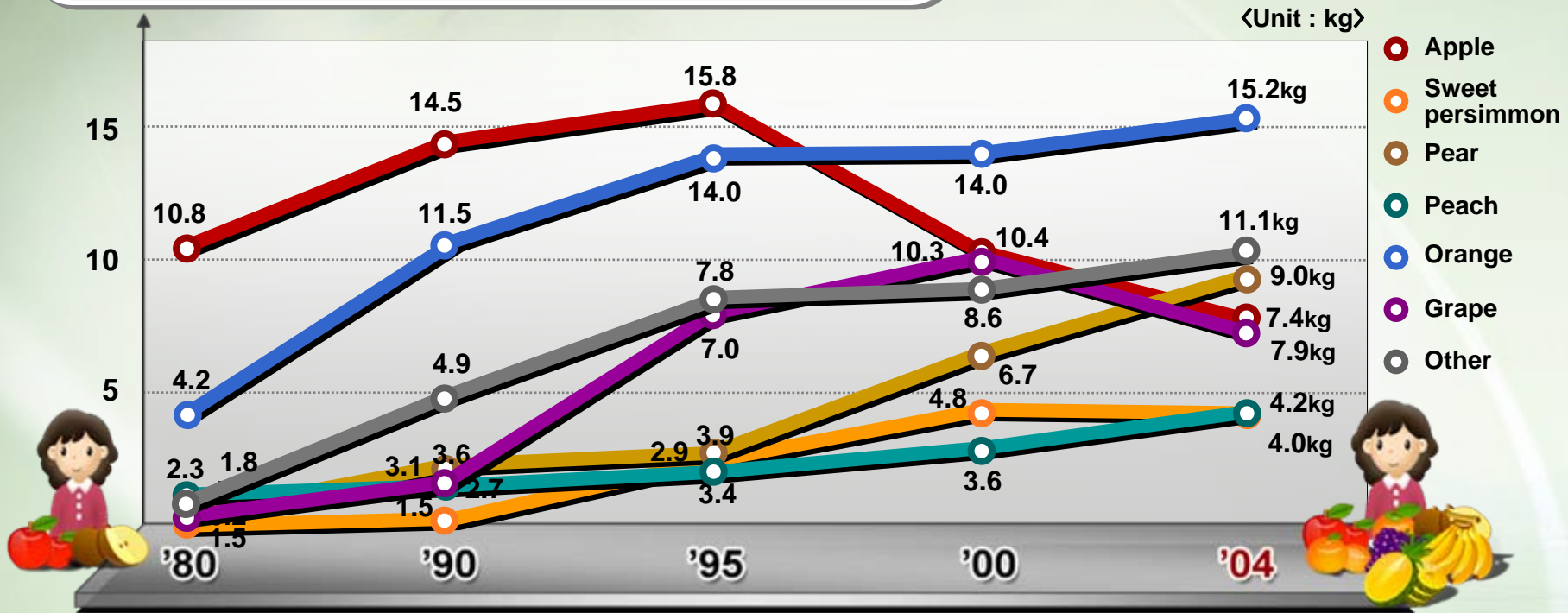
Continuous growth in 1990 → The growth is sluggish due to excessive production and import increase

'03 Korea ranks 39th in fruit production in the world  
(26th for grape, 9th for pear, 30th for apple)

# Agricultural Consumption

## Fruits and Vegetables

### Annual Fruit Consumption per capita



Annual consumption of **imported fruit** per capita increased

'90



'99



'03







# Agricultural Consumption

## Fruits and Vegetables

### Vegetable Yield

〈Unit : thousand ton〉

	Total	 Chinese vegetable	 Radish	 Red pepper	 Garlic	 Onion	 Others	 Greenhouse vegetable
'80	7,677	3,040	1,973	125	253	275	1,598	12
'90	8,677	3,241	1,686	133	417	407	1,776	1,017
'95	10,586	2,638	1,290	193	462	975	2,605	2,423
'00	11,282	2,869	1,507	194	474	878	2,113	3,247
'04	10,468	2,652	1,448	155	358	948	1,621	3,286

# Agricultural Consumption

## Fruits and Vegetables



Steady development in the livestock industry - due to income increase and diversified and improved dietary habit

### Meat consumption per capita



Agriculture  
and Fishery Industry Output  
20.9 trillion won

Fishery Industry  
Output  
2.7 trillion won

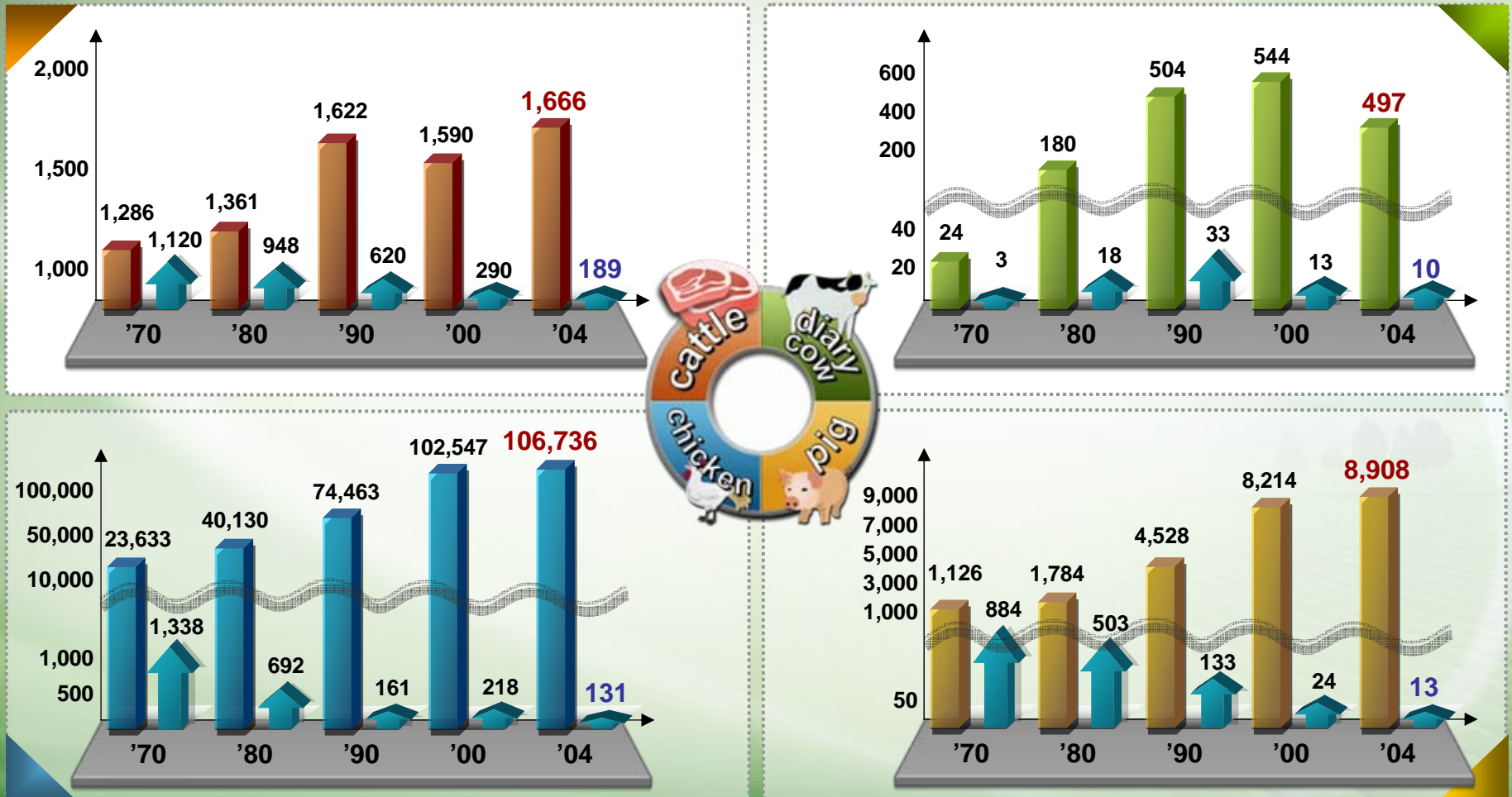
Rapid change of business

# Agricultural Consumption

## Livestock

### Number of breeding head and household

〈Unit: thousand heads, thousand households〉



# Trade in Agriculture

〈Unit: USD\$1million, After custom clearance〉

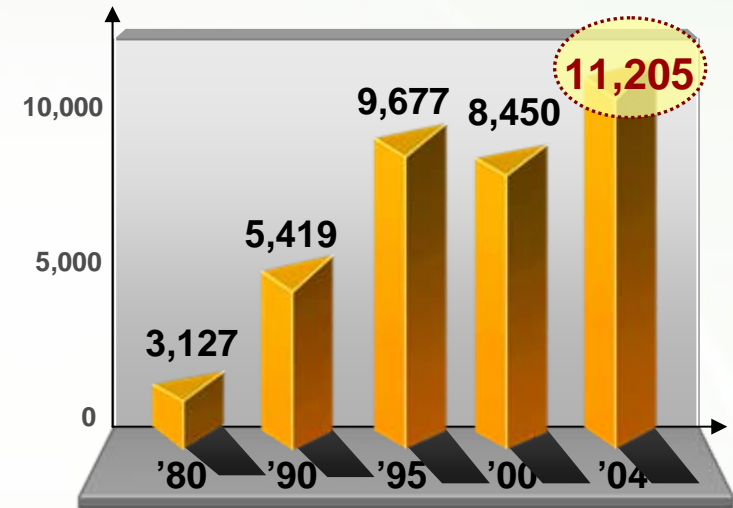
**Export volume** of agricultural, forestry and livestock products



**Import** of agricultural, forestry and livestock products



- 0.8% of the total export volume in 2004
- **low increase rate**



- Increased since **market liberalization and UR agreement**
- 5% of the total national import

Korea's 2003 **export** and **import** amount of agricultural, forestry and livestock product were the world's **41th** and **14th** respectively.

# Trade in Agriculture

**Ranking** of the major **exporting** and **importing** products (as of 2003)

Export			
Ranking		Volume (thousand ton)	Amount (million USD)
1	Kimchi	33.1	93.2
2	Chestnut	13.6	66.8
3	Ginseng	1.9	66.6
4	Paprika	15.6	44.4
5	Pear	16.2	30.1



Import			
Ranking		Volume (thousand ton)	Amount (million USD)
1	Beef	364.0	1177.0
2	Corn	8,799.9	1054.6
3	Wheat	3,769.0	612.1
4	Soy bean	1,535.3	410.7
5	Pork	129.4	195.9

