

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Voluntary  Public

**Date:** 11/20/2012

**GAIN Report Number:** KS1248

## **Korea - Republic of**

**Post:** Seoul

### **Rice Production Revision**

**Report Categories:**

Grain and Feed

**Approved By:**

Kathryn M. Ting

**Prepared By:**

Sunchul Choi//Mark Myers

**Report Highlights:**

Estimated rice production in 2012 is revised downward to 4 million tons from official USDA estimate of 4.1 million tons. This production represents a decrease of 5.2 percent from last year. The reduction is due largely to unfavorable weather coupled with a steady decline in acreage planted, the lowest since 1980.

## General Information:

### Rice Production Hits 30-Year Low:

On November 19, 2012, Statistics Korea (KOSTAT) released its final 2012 rice production estimate of 4,006,185 metric tons, down 5.2 percent from last year due in large part to unfavorable weather coupled with a steady decline in acreage planted. Korean rice production remains at its lowest point in more than 30 years ([KS1247](#)). Since reaching its peak in the 1970's, rice production has been trending downward as older farmers retire without being backfilled and consumers' diets change. The PSD has been revised accordingly.

Korea: Rice Area, Yield and Production			
Crop Year	Area (1,00HA)	Yield (KG/HA)	Production (Milled, 1,000 MT)
2005	980	4,900	4,768
2006	955	4,890	4,680
2007	950	4,640	4,408
2008	936	5,180	4,843
2009	924	5,318	4,916
2010	892	4,820	4,295
2011	854	4,946	4,224
2012	849	4,718	4,006

Source: Ministry of Food, Agriculture, Forestry & Fisheries (MIFAFF)

Korea: 2012 Rice Area, Yield and Production			
Type of Rice Land	Area	Yield (KG/HA)	Production (Milled, MT)
Paddy Rice	846,870	4,726	4,002,154
Upland Rice	2,302	1,751	4,032
Total	849,172	4,718	4,006,185

Source: Ministry of Food, Agriculture, Forestry & Fisheries (MIFAFF)

Korea: Rice Area and Production per Province						
Crop Year	Area (Hectare)			Production (Metric ton)		
	2011	2012	Change (%)	2011	2012	Change (%)
National Total	853,829	849,172	-0.5	4,224,019	4,006,185	-5.2
Kyonggi	91,727	90,824	-1.0	405,422	420,844	+3.8
Kangwon	35,355	34,806	-3.2	171,012	163,739	-4.3
Chungbuk	44,504	43,254	-2.8	219,100	212,748	-2.9
Chungnam	152,947	153,091	0.1	805,139	783,501	-2.7
Chonbuk	130,696	130,351	-0.3	684,219	622,181	-9.1
Chonnam	174,930	173,283	-0.9	829,040	700,405	-15.5
Kyounbuk	110,550	111,505	0.9	570,176	563,960	-1.1
Kyongnam	79,563	80,002	0.6	392,123	385,615	-1.7
Cheju	430	522	21.4	1,154	1,017	-11.2
Cities <sup>1/</sup>	32,521	31,534	-0.3	146,634	152,176	+3.8

Source: Statistics Korea (KOSTAT)

1/ paddy land located in seven big cities such as Seoul, Pusan etc

### Applicable Milling Rate from Brown Rice to Milled Rice:

Based on the outcome of an industry survey on November 2011, the Ministry of Food, Agriculture, Forestry & Fisheries acknowledged that the current average milling rate (paddy to milled) is too high and is considering lowering it from 74 percent to 72 percent to reflect current production practices. Local processors are reportedly now polishing rice to a greater

degree in response to consumer demand for well-milled high quality rice. As shown in the table below, milling is said to have climbed from 9 to 12 degrees. The higher you go up the 12 degree spectrum, the whiter the rice. The shelling rate to brown rice from paddy rice remains unchanged at 80 percent.

Korea: Milling Rate to Milled Rice from Paddy Rice (Percent)							
Degree(s)	1	2	5	7	9 <sup>a/</sup>	10	12 <sup>b/</sup>
% of Brown Rice Removed	0.8	1.6	4.0	5.6	7.2	8.0	9.6
% of Milled Rice Remaining	99.2	98.4	96.0	94.4	92.9	92.0	90.4
% of Shelling Rate	80	80	80	80	80	80	80
% of Milling Rate	79.36	78.72	76.80	75.52	74.32	73.60	72.32

Source: Statistics Korea (KOSTAT)

a/ milling rate applicable to date

b/ milling rate to be revised in the future

The Korean government released rice production statistics that show a comparison of milled rice production based on milling rates of 9 degrees and 12 degrees as below. The change in milling rates will result in a production decrease on average of about 2-3 percent. However, as MIFAFF maintains its official data series based on 9 degrees, PSD milling rate figures will remain unchanged.

Korea: Rice Production Comparison per Milling Rate (1,000 MT, .9999)						
Crop Year	Area (1,000 HA)	Rough Rice	Based on 9 Degrees		Based on 12 Degrees	
			Milled Rice	Milling Rate	Milled Rice	Milling Rate
1995	1,056	6,389	4,694	7,347	4,568	7,150
1996	1,050	7,123	5,323	7,473	5,179	7,271
1997	1,052	7,315	5,449	7,449	5,302	7,248
1998	1,059	6,790	5,097	7,507	4,959	7,303
1999	1,066	7,066	5,263	7,448	5,121	7,247
2000	1,072	7,197	5,291	7,352	5,148	7,153
2001	1,083	7,407	5,515	7,446	5,366	7,244
2002	1,053	6,687	4,927	7,368	4,794	7,169
2003	1,016	6,151	4,451	7,236	4,331	7,041
2004	1,001	6,737	5,000	7,422	4,865	7,221
2005	980	6,435	4,768	7,409	4,640	7,211
2006	955	6,305	4,680	7,423	4,554	7,223
2007	950	5,962	4,408	7,393	4,289	7,194
2008	936	6,468	4,843	7,488	4,712	7,285
2009	924	6,502	4,916	7,561	4,787	7,362
2010	892	5,811	4,295	7,391	4,180	7,193
2011	854	5,616	4,224	7,521	4,110	7,318
2012	849	5,405	4,006	7,412	3,898	7,212

Source: Statistics Korea (KOSTAT)

#### Rice PSD

Rice, Milled Republic of	Korea,		2010/2011		2011/2012		2012/2013	
			Market Year Begin: Nov 2010		Market Year Begin: Nov 2011		Market Year Begin: Nov 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	892	892	854	854	849	849		

(1000 HA)

Beginning Stocks	1,513	1,513	1,034	1,034	638	638	(1000 MT)
Milled Production	4,295	4,295	4,224	4,224	4,100	4,006	(1000 MT)
Rough Production	5,810	5,810	5,616	5,616	5,535	5,405	(1000 MT)
Milling Rate (.9999)	7,392	7,392	7,522	7,522	7,407	7,412	(1000 MT)
MY Imports	405	405	360	360	600	600	(1000 MT)
TY Imports	532	532	240	241	640	640	(1000 MT)
TY Imp. from U.S.	143	143	0	60	0	180	(1000 MT)
Total Supply	6,213	6,213	5,618	5,618	5,338	5,244	(1000 MT)
MY Exports	4	4	3	3	3	3	(1000 MT)
TY Exports	4	4	5	3	5	3	(1000 MT)
Consumption and Residual	5,175	5,175	4,977	4,977	4,800	4,800	(1000 MT)
Ending Stocks	1,034	1,034	638	638	535	441	(1000 MT)
Total Distribution	6,213	6,213	5,618	5,618	5,338	5,244	(1000 MT)
Yield (Rough)	7.	6.5135	7.	6.5761	7.	6.3663	(MT/HA)
TS=TD		0		0		0	