

Korean aims to achieve Innovative Growth in Rice Processing Industry

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South Korea Ministry of Agriculture, Food and Rural Affairs announced on 23 January a "Third Basic Plan on the Fostering of the Rice Processing Industry and the Promotion of Rice Consumption" to support the rice processing industry on a growth trajectory, as the industry's

sales in the domestic market and its export value have been on a steady increase.

The basic plan aims to expand the sales of processed rice food in the domestic market to KRW17 trillion and more than double the export value to \$400 million by 2028. Under this goal, the plan focuses on three major objectives

- strengthening the support for the sales and export growth of promising food products
- expanding the demand base inside and outside South Korea
- advancing the foundations for the growth of the rice processing industry.

The ministry has proposed 3 objectives.

- **The ministry will strengthen the support for the sales and export growth of ten major promising food products by taking advantage of four market segment expansion strategies.**

This will drive the dynamic growth of the rice processing industry. In particular, the ministry will establish a system for stable production and distribution of floury rice, and support R&D of rice food products and expansion of the market segment in multifaceted ways through cooperation with the food and the food service industries. This way, we will replace 10% (200,000 tonnes) of the domestic demand for imported wheat flour with the demand for floury rice.

* Ten major promising food products refer to Heat-to-serve processed rice and rice porridge; Korean-style packed lunch (â??Doshirakâ??) and Korean seaweed rice rolls (â??gimbapâ??); Spicy stir-fried rice cakes (â??tteokbokkiâ??); Frozen rice cakes; Rice-based spirituous liquor; Rice beverages; Korean-style rice noodles; Mixed noodles; Rice bread; Rice confectionery.

Government has recognised four market segment strategies

- Expanding the market segment for diverse rice-based convenience foods (e.g. processed rice, frozen rice cakes, etc.),
 - Carrying out R&D for gluten-free foods, vegan foods, senior-friendly foods, etc.
 - by using a healthy image of rice
 - Developing rice processing into a flagship industry for Korean food export
 - Discovering new food products appealing to young people out of traditional foods.
- The ministry will enhance the stability of supply and demand of rice by expanding the global market segment of processed rice foods that will help promote a larger consumption of processed rice.**

The consumption target to be reached by 2028 is 720,000 tonnes from 570,000 tonnes in 2022.

To this end, we will make efforts in the following ways: increasing the number of KGFC-labeled

gluten-free certified companies to 100 by 2028; increasing the number of rice processing companies, certified gluten-free by a gluten-free certification organization in overseas countries, to 30 by 2028; nurturing 200 leading export companies in processed rice food to reach \$400 million in export value; doubling the size of the 1,000-won breakfast programmes, a policy to provide breakfast for college students at a cheap price of KRW 1,000; and expanding the project of helping children and young people maintain healthy eating habits.

- **The ministry will solidify the foundations for growth of the rice processing industry and thus improve the industry's global competitiveness.**

To make this possible, we will build an area for rice cultivation where floury rice will be cultivated for a processing purpose, and provide support for contract-based rice cultivation. We will also build an area to grow a Korean variety of indica rice to meet the demand from rising consumption of long-grain rice and an increasing number of non-Korean residents living in the nation. Our support will also go to expanding the fund for raw materials purchase and facility renovation and to investing in R&D for ten key techniques and technologies to produce processed rice food.