

Korea Nurtures K-Food Plus into One of Top 10 Strategic

14 March 2024 | News

Export Industries to Lead Global Market



Export Industries to Lead Global Market

Korea Ministry of Agriculture, Food and Rural Affairs announced the "Strategic Plan for K-Food Plus Export Innovation" to respond to a rapidly changing global trend and trade environment and to nurture K-Food Plus into a strategic export industry leading the global market.

In 2023, the ministry made efforts to grow agri-food products as well as upstream and downstream industries into a strategic export industry. As a result, the export value of K-Food Plus reached a record high in that year despite difficulties posed by challenging external conditions. We also saw the possibility that K-Food Plus can grow into a strategic export industry¹⁾ with meaningful outcomes achieved. Specifically, (a) the export of agri-food products continued to grow for eight consecutive years; (b) the foundation was established for export of products from upstream and downstream industries, for instance, through large-scale contracts winning for smart farm projects²⁾; and (c) the door was opened for Korean companies to enter halal markets through the 2023 ROK-Indonesia summit talk.

Under the strategic plan, the ministry aims for K-Food Plus exports of \$13.5 billion for this year and \$23 billion by 2027, with the vision of making K-Food Plus one of Korea's top 10 strategic export industries. The strategic plan was developed, based on input from people in the industry as well as subject matters discussed during the operation of the K-Food Plus Export Expansion Promotion Headquarters last year.

The ministry is also working hard to carry out collaborative projects with other ministries, based on results of the Emergency Ministerial Meeting on Economic Affairs held on 14 February, and will play a leading role in breaking down boundaries among ministries.

- 1) energy and industry emissions, and
- 2) FLAG emissions that occur "to farm gate", i.e. before agricultural commodities are sent off-farm for processing.

Companies must now set separate targets and decarbonisation pathways for each bucket of emissions, ensuring a focus on both energy/industry and land emissions sources

The FLAG guidance helps companies to decarbonise by enabling verifiable carbon removals on the farm to be subtracted from FLAG emissions, reflecting a lower corporate carbon footprint even for downstream companies like food processors and retailers. It will help incentivise and support climate action within the agri-business value chain rather than using carbon offsets outside the supply chain, leading to longer-term resilience in our food systems.

To begin with, the agriculture ministry will work closely with the Ministry of Oceans and Fisheries in the areas of logistics and marketing to achieve an export target of USD 16.7 billion in agri-food and aquatic food products as well as in the upstream and downstream industries (USD 10 billion in agri-food products, USD 3.5 billion in the upstream and downstream industries, and USD 3.2 billion in aquatic food products). The two ministries will join hands in utilizing logistics infrastructure, including the hinterlands of major ports (e.g. the port of Busan, the port of Pohang, etc.) and overseas logistics centers of the Busan Port Authority and the Ulsan Port Authority. The two sides will also collaborate in holding a K-Food fair and opening a testing and promotion shop overseas.

Also, the agriculture ministry will build an inter-ministerial cooperation system to respond to changes in the global trade environment with the Ministry of Trade, Industry and Energy and other related ministries and agencies. At the same time, the ministry will collaborate with the Ministry of Culture, Sports and Tourism in carrying out the Korean wave-based marketing and opening a promotion center overseas. The ministry will also work together with the Korean Intellectual Property Office to make joint response to eradicate counterfeit K-Food products.

The 2024 strategic plan is focused on enhancing the global competitiveness of the K-Food Plus industry. To this end, the ministry will improve the export support system, with emphasis on strengthening the capabilities of export support organizations and export companies; lay the foundation for growth of promising export companies through investment expansion; and will expand markets for K-Food Plus exports on various fronts.

Minister SONG Miryung of Agriculture, Food and Rural Affairs said: "We will make all our policy efforts and strengthen private-public and inter-ministerial cooperation to ensure that this year's export target of K-Food Plus can be reached and K-Food Plus can grow into a flagship export industry over the medium- and long-term, on the wings of the K-Food boom and the recovery in global trade volumes."