

Estimated Korean Rice Production in 2013

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The Ministry of Agriculture, Food, and Rural Affairs (MAFRA) announced that Korea's estimated rice production in 2013 as of September 15 is 4.24 million tons. This year's ripening period (September) had good weather conditions and consequently estimated rice production grew 5.8% from the 4.006 million tons of the prior year when natural disasters such as droughts and typhoons affected crop conditions. The production per unit area (510kg/10a) also rose 7.8% from a year earlier (473kg/10a) and 2% from the average year (500kg/10a).

The government will facilitate the purchase of rice from farms during harvest time by funding the Rice Processing Complex(RPC). Of the rice purchase support fund of 1.2 trillion won to be provided to the RPC, the unallocated 304.4 billion won will be provided by early November to the purchase of rice from farmers. The Korean National Agricultural Cooperative Federation(Nonghyup) will also provide a rice purchase fund of 1.3 trillion won to local Nonghyup branches without interest. The government will encourage farms to ship rice so that the purchase of reserved rice of 370,000 tons can be completed by the end of 2013.

The government will continue to monitor rice price trends and take supply-and-demand stabilization measures, if necessary, based on the actual rice yield to be determined by mid-November. As of October 5, the producer rice price posted a record high of 183,560 won/80kg which is increased in 4.5% from the same period of the previous year. Although the rice planted area in 2013 decreased 1.9% from a year earlier to 16,000 ha, the rice production per unit area rose 7.8% in that same time period. The good weather condition during the ripening period in September is a main factor in increased yield and production.

This year's estimated rice production of 4.24 million tons is considered to be the optimal level to balance supply and demand, given the fact that the estimated rice demand for the crop year of 2014 is 4.191 million tons. The rice demand of 4.191 million tons has been estimated on the premise that rice consumption per capita is 67.3kg (down 1.2kg from 68.5kg in 2013). Recently rice consumption per capita has been decreasing by 1.2-1.6kg every year in Korea.

Date submitted: November 8, 2013
Reviewed, edited and uploaded: November 14, 2013