



Agricultural Machine Export in 2013

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The Ministry of Agriculture, Food and Rural Affairs (MAFRA) announced that Korea has exceeded the agricultural machine export goal for 2013, achieving a record high with 835 million dollars, up 12.0% from 2012. By agricultural machine, tractors (50.4%) and attachments (10.5%) accounted for 60.9% of the total export, and by country, the U.S. represented the highest share with 32.6%, with a dramatic increase in export to Southeast Asia, including China and Thailand. It is analyzed that the export of agricultural machinery increased sharply despite the current strong Korean currency (won) trend due to a weak yen because aggressive export market strategies such as development of various models suitable to the local demand paid off in the emerging markets including Southeast Asia.

MAFRA is preparing for the establishment of the Korean Global Agricultural Machinery Center to overcome the limits in the domestic market through diversification of the export market for expanding the agricultural machine export. If the Korean global Agricultural Machinery Center (Cheonan, South Chungcheong Province) is completed in December 2014, export of small agricultural machines such as agricultural product dryers, the major export item of SMEs, as well as secondhand agricultural machines such as tractors are expected to be more vitalized. It has also actively supported the hosting of Korea International Exhibition of Machinery, Equipment, Science and Technology for Agriculture (KIEMSTA), which has been held every second year since 1992, will see its 12th exhibition in 2014. MAFRA is planning to actively utilize this exposition as a place for promotion and counseling for exports of agricultural machinery. Additionally, MAFRA supports small agricultural machine suppliers for part of the expenses for participation in renowned foreign expositions to help them to develop foreign markets. It is also planning to expand its policy support, including active support for agricultural machine suppliers by expanding production subsidies to 200 billion won by 2020 (currently 150 billion won (2014)) so that they can lay the foundations for exports.

The Korean government hopes to maintain the current momentum of agricultural machine exports, and strive to attain the world No. 7 (currently No. 11) in agricultural machine exports by reaching exports of 1 billion dollars by 2015 and 2.5 billion dollars by 2020.

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