



Work Plan 2017 for Developing Agri-food Industry into High Value-added Future Growth Engine

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On January 6, 2017, the Korean Ministry of Agriculture, Food and Rural Affairs (MAFRA) announced its work plan for transforming the agricultural and food industries into future growth engines by preparing basic solutions to pending issues such as avian influenza (AI) and rice supply, and by completing core tasks for the government.

MAFRA presented three core tasks to be implemented in 2017. These are as follows:

1.Preparation of fundamental solutions to pending issues

In order to rapidly respond to nationwide AI for the early termination of it, the MAFRA will minimize the inconvenience to the public by minimizing the possibility of additional incidents and by stabilizing the supply of eggs and poultry before April, 2017.

In order to achieve a balance of rice supply and demand by 2018, MAFRA will reduce rice cultivation areas of 35,000 ha in 2017, foster the rice processing industry, increase the supply of rice for feeds and welfare uses, induce proper level of rice production through modifying direct payment system, and stabilize farmers' income. Fundamental measures to stabilize supply and demand of rice in the mid-to long-term will be prepared before February, 2017.

The ministry will try to minimize the damage of agri-food sector such as flowers, Korean beef and food service industry due to the newly enacted anti-graft law. MAFRA will promote the changes of consumption structure, improvement of marketing structure and the enforcement of public relations. Korea's new anti-graft law, which takes effect in September, 2016, has negative impacts on flower and beef sectors and the restaurant businesses. For example, potted orchids have long been used as gifts for those who are promoted in companies in Korea, but this common practice is affected by the law. The law imposes tight limits on free meals and gifts that can be accepted by government officials, journalists and school teachers to curb the deep-rooted tradition of excessive hospitality. According to the law, the maximum value of gifts a person can receive is set at 50,000 won (US\$45), and cash gifts for events such as weddings and funerals are fixed at no more than 100,000 won (US\$ 90).

2.Completion of core national policy tasks in agri-food sector

The MAFRA will strengthen export support for major markets such as the Chinese and Halal markets, and usher in an era of exporting US\$6.5 billion of agricultural products and foods (It will be US\$10 billion if agriculture-related industry such as farm machinery is included). The Korean export value of agri-food products was US\$ 6.5 billion in 2016.

The MAFRA will increase the number of ICT-based farms (so-called 'smart farm') (4,000 ha greenhouses and 730 cattle sheds by 2017), and develop high value-added, technology-intensive agriculture through expanding farm size of each farm, developing software program for cattle management and standardizing equipment for ICT-based farming.

The MAFRA will transform agriculture through solidifying tailored support based on the result of the sixth industrialization and by transforming the tangible and intangible resources such as nature, culture and traditions into tourism resources.

The MAFRA will increase farmers' income and provide a safety net for farmers by increasing support for agricultural disaster insurance. And it will prevent disasters and the outbreaks of pests, and strengthen welfare support for low-income and aged farmers.

The MAFRA will build preemptive and autonomous supply-demand stabilization systems and improve marketing structure. It will cope with unpredictable marketing situation by improving the accuracy of agricultural outlook, and collecting and analyzing information on prices of agricultural products and their supply and demand. It will streamline wholesale market system by improving system such as accelerating competition and establishing fare trade, and standardizing the administration of physical distribution. It will also increase local food market such as increasing the number of markets from 148 in 2016 to 170 in 2017.

3.Expansion of future growth foundation for the agri-food industry

The MAFRA will create job opportunities in the agri-industry for young entrepreneurs and nurture core human resources. It will develop the new model of opening business for youth, boost networking among youths and support opening venture business more strongly. It will increase the number of students at the Korea National College of Agriculture and Fisheries (390 in 2016, 470 in 2017 and 550 in 2018) and support young farmers with farmland leases.

The MAFRA will foster the food and restaurant industry and encourage healthy diet culture. It will nurture the simple, functional, and elderly-friendly foods in response to consumption trend such as the increase of one family member household and the increasing concern over health issues. It will utilize the Pyeongchang Olympic Games to enhance public relations over Korean food and help promote it globally. It will strengthen the education of good diet, and food safety management by increasing certification of GAPs and HACCP to enhance people's health and nutrition.

The MAFRA will identify new growth engine sectors such as seeds, agricultural products, farm equipment and pets, and support them to become high-value-added items, concentrating on policies and practical R&D in response to the future such as the fourth industrial revolution.

The MAFRA will strengthen the function of rural area as a place for working, living, and relaxing (80 Clean Water and Green Farming villages) by introducing design concept to rural development, and promote "Clean Agriculture" such as improving village and environment quality of the value of rural areas will be enhanced by linking the rural areas to natural resources and basic facilities (train stations, theme parks, etc.).

The Korean agricultural minister (Kim Jaesoo) said that government will try to increase the support of Korean people to agricultural policy by the ABC (Act, Believe, and Care) policy. He also said he will enhance the quality of agricultural policy through expanding communication between producers and consumers.

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