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**Preparing a “Kimchi Industry Promotion Comprehensive Plan”  
to Reaffirm Korea’s Sovereignty over Kimchi  
- Increasing the Market Share of Korean Kimchi by 22 years  
(65%→70%) -**

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**ABSTRACT**

*MAFRA plans to establish the status of Korea as the birthplace of kimchi by enhancing the competitiveness of domestically-produced kimchi. First, the ministry will expand the base of kimchi and fostering related industries. MAFRA will industrialize pickled cabbage as a kimchi related industry and reinforce safety management of the kimchi. The ministry also will foster HMR industry through kimchi and kimchi sauce, and strengthen education for raising awareness of kimchi for infants and teenagers and promotion of its excellence. Second, MAFRA plans to strengthen the quality competitiveness of the domestically-produced kimchi. The ministry will standardize kimchi quality characteristics and introduce taste labelling (salty, spicy, sour), and pioneer new markets through developing new kimchi as functional food. The ministry will also enhance capacity of kimchi companies and related organizations, and build governance for policy consultation. Lastly, MAFRA plans to counteract the expansion of kimchi imports and exports expansion. The ministry will reinforce control of the imported kimchi by distribution stage and disseminate cost reduction technology of the domestically-produced kimchi, and pursue strategies for localizing exports. The ministry will examine introduction of ‘geographical indication on country name’ to prevent pirating trademarks of the domestically-produced kimchi in foreign countries.*

**INTRODUCTION**

MAFRA (Ministry of Agriculture, Food and Rural Affairs) announced “2018~2022 kimchi industry promotion comprehensive plan” to establish Korea’s status as the birthplace of kimchi through the promotion of the kimchi industry. While kimchi consumption has

continued to decline due to recent decrease in rice consumption, the rise in imports of Chinese kimchi, which is cheaper in raw materials, has dampened the position of Korean kimchi. Under this sense of crisis, MAFRA organized a task force for the promotion of a comprehensive plan from November last year and prepared the comprehensive plan through collecting opinions from experts working in related agencies, and members of the kimchi industry.

This comprehensive plan focused on strengthening the price and quality competitiveness of Korean kimchi to counter the expansion of the Chinese kimchi imports. The plan is to expand the kimchi products market from 180 billion won in 2016 to 350 billion won in 2022 by fostering kimchi-related industries such as kimchi sauce, raise the market share of the Korean kimchi from 65% to 70% by enhancing the quality competitiveness of the Korean kimchi, and adjust the trade balance of the kimchi by boosting the domestic consumption and expanding exports. The comprehensive plan consists of 6 strategies and 24 detailed tasks, and the main contents are as follows.

Policy Goal

- ☞ Market size of kimchi products :('17) 190 billion → ('22) 350 billion won
- ☞ Expanding the market share of Korean kimchi: ('17) 65% → ('22%)
- ☞ Improvement of Kimchi Trade Balance : ('17) → 47 million → ('22) ±0

### **Promotion strategy 1: Kimchi-Related Industry**

MAFRA will strengthen the manufacturing and safety management of pickled cabbage, which is a kimchi-related industry, and foster kimchi sauce and kimchi HMR industries. The ministry will expand the production and the supply of the pickled cabbage in main cabbage production areas, and seek to reduce the cost of kimchi production and improve logistics efficiency. It will foster the pickled cabbage industry by establishing networks of producers in the main production areas and kimchi manufacturers, supporting the production facilities of pickled cabbage and the naturalization of byproducts (the current market size of the pickled cabbage about 180 billion won is planned to extend to about 250 billion won by '22). The ministry will promote the kimchi sauce and the kimchi HMR industry that uses kimchi. It will expand R&D support for developing kimchi sauces that match local food culture, and development of new kimchi HMR products in response to expansion of the HMR market.

### **Promotion strategy 2: Improving competitiveness of the Korean kimchi**

MAFRA will introduce a labelling system by standardizing and rating the taste and quality of the Kimchi, and pioneer new markets through the development of functional kimchi. The ministry plans to develop kimchi taste standard index (spicy, salty, sour) and introduce taste labelling to offer consumers the information about the kimchi taste. To improve the quality of small and medium-sized kimchi manufacturers, MAFRA will provide guidelines for quality and excellent spawn management, and expand customized field technological guidance. To counter the expansion of the health and aging-friendly food market, MAFRA plans to expand support for development of novel kimchi such as functional kimchi that utilizes kimchi lactobacillus.

### **Promotion strategy 3: Response to imported kimchi and imports expansion**

MAFRA will strengthen the management of the imported kimchi. The ministry will also pursue export diversification and ease export concentration in Japan by developing products customized to export markets. MAFRA plans to strengthen management and control over the origin of the imported kimchi and the kimchi materials. To reduce production cost of kimchi, MAFRA plans to develop and distribute kimchi production technology for business use and automated production equipment. The ministry will support joint projects through a consultative group to enhance quality by increasing bargaining power of small kimchi companies. The government also plans to expand the ‘Korean kimchi voluntary labelling system’ that grants certification marks to the domestically produced kimchi users. The ministry will examine introduction of ‘geographical indication on country name’ to prevent pirating trademarks of the domestically-produced kimchi in foreign countries. And the government plans to expand support for developing products and recipes customized to the export market such as developing kimchi dishes combined with local traditional cuisines.

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|  | <ul style="list-style-type: none"><li>• Kimchi taco is one of fusion foods combined Korean kimchi with taco which is a typical Mexican food</li><li>• Kimchi taco is sold mainly in food trucks and popular with locals</li></ul> |
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### **Promotion strategy 4: Raising awareness of Kimchi and Promotion of its Excellence**

MAFRA plans to promote awareness improvement and kimchi culture events to promote consumption of kimchi and, expand the base of the kimchi. The ministry will expand kimchi awareness improvement promotion for infants and young adults. It also plans to hold cooking contests, expand the existing kimchi shows to develop kimchi food culture, and enlarge the base of the kimchi.

### **Promotion strategy 5: Building governance**

MAFRA plans to establish governance in order to actively gather opinions from the kimchi industry and promote kimchi policies that are in line with the field level. It plans to organize and operate a kimchi policy forum where the government, research institutions, and kimchi association participate.

### **Promotion strategy 6: Supporting stable supply of raw materials**

MAFRA will expand its project to stabilize the supply and demand of vegetables to stably secure the kimchi materials. Starting this year, MAFRA plans to add chili peppers to the list of the vegetable price stabilization system to increase the amount of shipment control and reserve. It also plans to seek a stable supply of the kimchi materials through contract-farming mediation between farmers and the kimchi companies.

## **CONCLUSION**

To sum up, MAFRA plans to organize a kimchi policy forum with the kimchi companies and the related organizations to ensure the implementation of the kimchi industry promotion comprehensive plan. Through the plan, the government strongly hopes the domestic kimchi industry gains the expected competitiveness and secure the market.

## **REFERENCES**

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