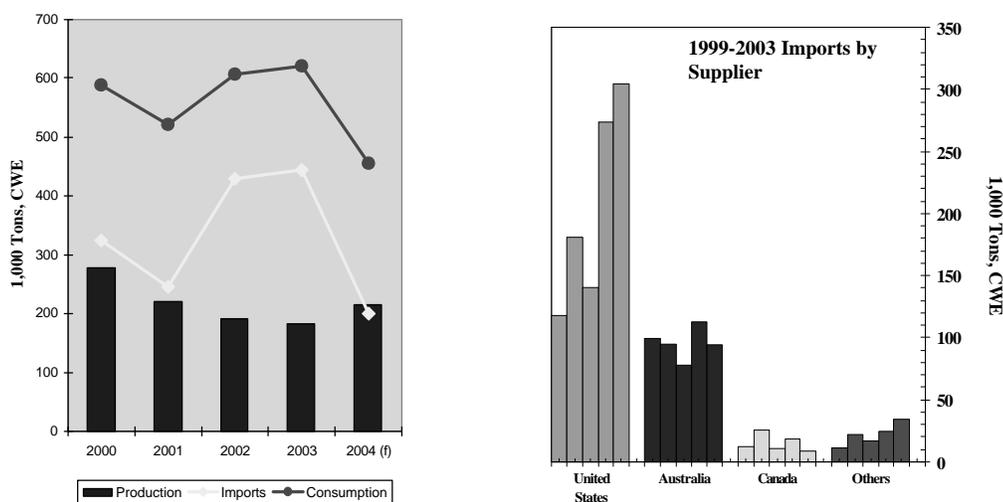


Republic of Korea's Beef Situation

	1998	1999	2000	2001	2002	2003(p)	2004(f)
(1,000 tons; Carcass Weight Equivalent (CWE))							
Beginning Stocks	33	61	66	79	25	40	46
Production	348	305	278	221	192	182	215
Imports	125	242	324	246	430	444	200
Consumption	445	542	589	521	607	620	455
Ending Stocks	61	66	79	25	40	46	6

Ban on U.S. Beef Imports Is Anticipated to Significantly Drop Korean Beef Imports in 2004



Beef imports for 2004 are forecast to drop by 55 percent to 200,000 tons due to the ban on U.S. beef after the finding of BSE in the United States. This ban has had major impacts on the market, such as decreasing consumption of beef by about 27 percent and increasing consumption of pork and fish. In Korea, U.S beef usually accounts for 60 percent of imports. Korea is also maintaining a ban on Canadian beef, which previously supplied 4 percent of Korean beef imports. It is not anticipated that Australia and New Zealand will be able to offset the decline in beef imports from the United States, which was 292,000 tons in 2003. Without the imported beef, demand for domestic beef remains strong although domestically produced Hanwoo beef is 4.5 times more expensive than imported beef.

Republic of Korea
BEEF IMPORTS
(metric tons)

Fresh/Chilled

Origin	1995	1996	1997	1998	1999	2000	2001	2002	2003
Australia	0	17	2	47	132	762	1,251	5,201	6,315
Canada	0	0	0	0	14	145	83	133	284
United States	8	16	48	111	1,691	4,843	4,241	9,196	15,665
Others	0	0	0	1	1	72	12	9	100
Total	8	32	49	159	1,838	5,822	5,587	14,539	22,364
US market share	100%	50%	98%	70%	92%	83%	76%	63%	70%

Frozen

Origin	1995	1996	1997	1998	1999	2000	2001	2002	2003
Australia	61,187	56,534	61,624	31,573	73,253	69,233	56,292	77,965	62,674
Canada	2,304	3,835	5,242	3,823	8,867	18,617	7,602	13,840	6,309
New Zealand	28,052	25,105	15,546	3,921	8,088	10,950	10,244	17,451	26,012
United States	76,717	76,766	83,310	52,549	85,376	128,392	98,957	191,932	208,371
Uruguay	0	0	0	0	0	4,563	1,646	0	0
Others	99	232	320	1	57	366	303	102	135
Total	168,359	162,472	166,042	91,867	175,641	232,121	175,044	301,290	303,501
US market share	46%	47%	50%	57%	49%	55%	57%	64%	69%

Processed

Origin	1995	1996	1997	1998	1999	2000	2001	2002	2003
Australia	2	1	19	1	2	0	14	758	33
Brazil	0	0	0	0	0	0	19	2	4
China	0	0	3	0	0	1	86	102	98
United States	7	5	106	62	94	88	57	54	76
Others	0	0	1	2	1	3	2	14	19
Total	9	5	129	64	97	92	178	930	230
US market share	78%	88%	82%	96%	97%	96%	32%	6%	33%

Grand Total **168,376** **162,509** **166,220** **92,090** **177,576** **238,035** **180,809** **316,759** **326,095**

Total US market share 46% 47% 50% 57% 49% 56% 57% 64% 69%

Sources: UN Trade for 1995 and Republic of Korea Customs for 1996-2003.

Note: All data reported in Product Weight.