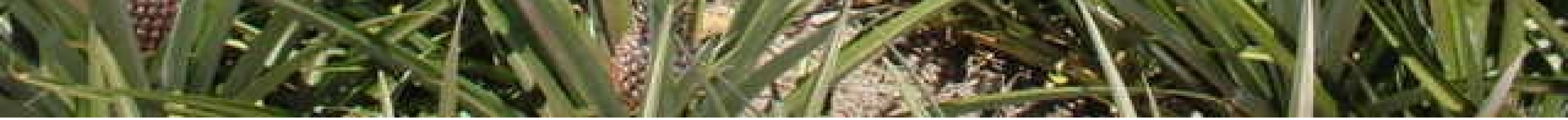


Thailand’s Organic 2011

Vitoon Panyakul
Green Net – Earth Net
vitoon@greennet.or.th

Brief History (1)

1991	▪ Chai Wiwat Agro-industry & Capital Rice Co started organic rice project
1992	▪ Alternative Agriculture Network's first national conference, to promote sustainable & organic farming ▪ First Fair Trade rice from Surin was exported to Fair Trade groups in Europe.
1993	▪ Green Net established
1994	▪ Capital Rice began selling organic jasmine rice in Thailand and overseas
1995	▪ ACT established, and first Thai organic crop standards were drafted.

EARTH NET GREEN NET

Brief History (2)

1996
- Organic rice project in Yasothon
- IFOAM-Asia Workshop on Certification for Organic Agriculture and Alternative Market

1997
- ACT started organic inspection & certification

1999
- Thailand Institute of Technological and Scientific Research (TISTR) / Export Promotion Department and the Department of Agriculture, drafting organic crop standards

2000
- ACT got IFOAM accreditation from IOAS
- Cabinet approved US$ 15.8 million (633 million baht) to support 3-year pilot project on Sustainable Agriculture for Small-Scale

Brief History (3)

2001
- DOA gazetted organic crop farming standards
- IFOAM Organic Shrimp Consultation, Thailand

2002
- MoAC established ACFS (National Office of Agricultural and Food Commodity Standards) to enforce agri & food standards & accreditation
- ACFS completed "Organic Agriculture: the Production, Processing, Labeling and Marketing of Organic Agriculture". Cover crop, livestock, and aquaculture
- Swiss Govt. recognized ACT for organic inspection according to the Swiss import rule
- First produce bearing "Organic Thailand" label appeared in the Thai market

EARTH NET GREEN NET

Brief History (4)

2003
- International Organic Conference, co-hosted by FAO, Green Net-Earth Net Foundation
- Surin Province set up a large-scale organic project, planning to convert 16,000 households (with 37,760 ha.)

2004
- ACFS launched organic accreditation programme. ACT was the first to apply
- Organic Agriculture Fair was organized by the MOAC and the Cabinet approved organic agriculture as part of the national agenda.

2005
- National Agenda on Organic Agriculture was implemented, little supports given to OA sector

EARTH NET GREEN NET

Brief History (5)

2006

- 1.2 billion THB was allocated for National Agenda on OA, mainly focus on organic fertilizers
- Thai Organic Trader Association (TOTA) registered
- National organic action plan was drafted
- Siam Paragon introduced Gourmet Market with organic ranges

2007

- Political instability started with military took over
- National Organic Development Strategic Plan was established
- Certification Alliance (CertAll) established

EARTH NET GREEN NET


Organic Foods For A Better Life
เลมอนฟาร์ม
"ผักสดเกษตรธรรมชาติ"

Brief History (6)

2008
- Political disarray continues
- National Organic Action Plan was approved with over 5 billions THB budget planned for 5 years
- ACT applied for Canadian recognition (was approved in 2009)

2009
- TOTA started organic incubation programme to increase organic enterprises
- ACT applied for EU recognition

EARTH NET GREEN NET

Brief History (6)

2008

- Political disarray continues
- National Organic Action Plan was approved with over 5 billions THB budget planned for 5 years
- ACT applied for Canadian recognition (was approved in 2009)

2009

- TOTA started organic incubation programme to increase organic enterprises
- ACT applied for EU recognition

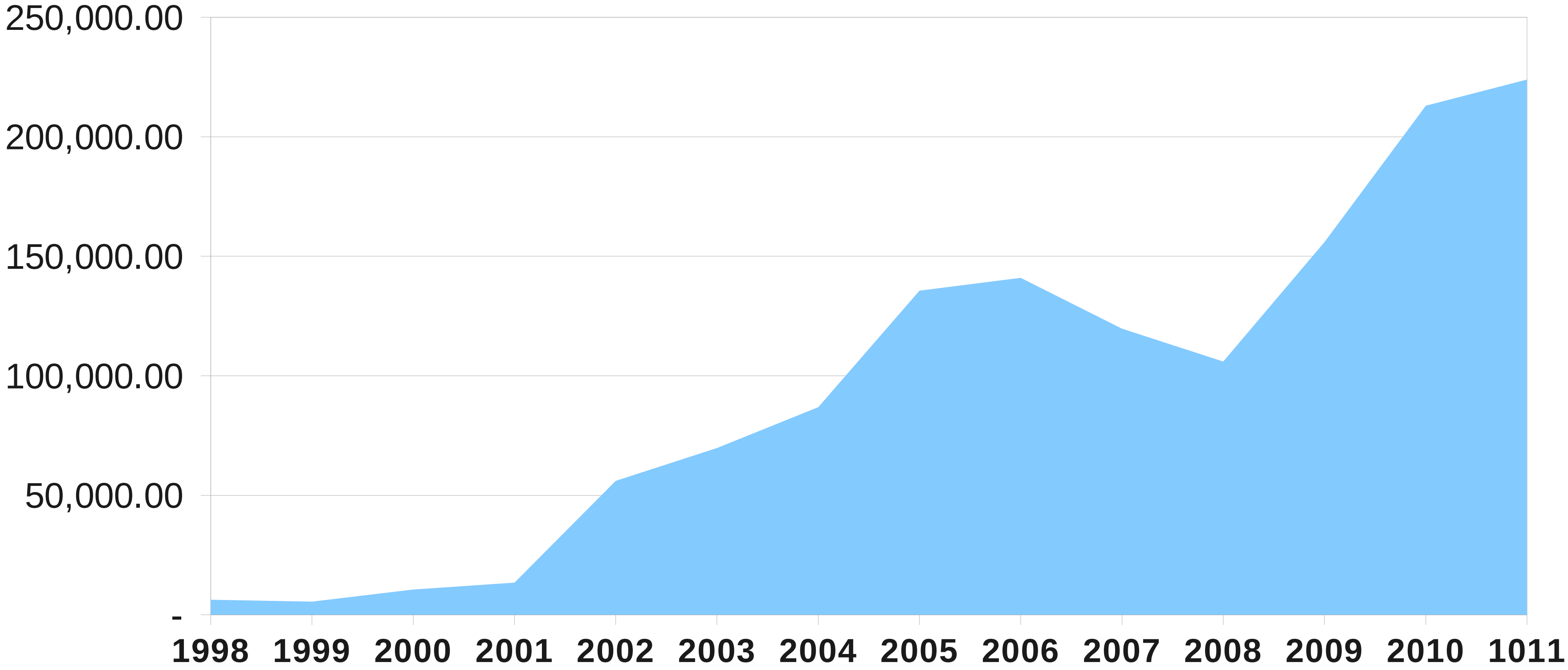
EARTH NET GREEN NET

Certified Organic 20011

- 35,824 ha (0.17% of total arable land)
- 7,499 farms (0.15% of total 5.1 m farming families)

EARTH NET GREEN NET

Certified Organic Farm Land



EARTH NET GREEN NET

Organic Land Use

Year ปี ค.ศ.	Rice ข้าว	Fied crops พืชไร่	Vegetables ผัก	Fruit ผลไม้	other อื่นๆ	TOTAL รวม	Volume (tons)	Value (M TBT)
1998	6,281.41		-		-	6,281.41	n.a.	n.a.
1999	5,510.13		-		-	5,510.13	n.a.	n.a.
2000	7,005.26		3,518.75		-	10,524.01	n.a.	n.a.
2001	9,900.50		3,518.75		-	13,419.25	n.a.	n.a.
2002	32,841.27		22,382.30		768.75	55,992.32	n.a.	n.a.
2003	46,719.33		22,260.64		768.75	69,748.72	9,756.05	375.13
2004	52,182.75	7,859.79	13,283.60	12,777.00	768.75	86,871.89	15,966.08	608.79
2005	108,302.02	6,731.20	14,844.76	4,995.35	761.00	135,634.33	29,415.10	920.39
2006	113,213.04	6,546.65	15,121.21	4,981.83	1,077.25	140,939.98	30,374.84	948.03
2007	77,005.03	10,103.64	16,503.19	15,907.20	203.75	119,722.81	33,677.48	976.84
2008	70,485.67	11,791.13	13,820.39	8,369.92	1,500.00	105,967.10	26,564.74	806.09
2009	112,152.27	45,920.63	18,066.51	7,342.20	1,500.00	184,981.60	44,365.31	1,291.70

6.25 rai = 1 hectare

EARTH NET GREEN NET

Year 2010

- ACFS-CNCA started bilateral discussion for equivalent recognition under GOMA framework
- ACFS supports 2 organic projects, one on local green markets and another on database (implemented by the OAD Center Thailand)
- MoC supported 2 projects on organic cotton and tea (Prince Royal projects)
- TOTA-MoC-GTZ collaboration on local market developments

EARTH NET GREEN NET

Year 2011

- MoC initiated Organic & Natural Expo and Organic Symposium, focusing on ASEAN region
- National Organic Development Strategy ended, no new plan was developed
- In the previous plan, 1.75 m farmers in Thailand (34%) were trained by various government agencies, but ...

EARTH NET GREEN NET

National Regulatory

- MoAC issues national organic standards for crops, livestock, and aquaculture and set up accreditation body
- No official recognition with any countries, but trying to talk to EU, US and China
- Private sector do not support national regulations (organic as voluntary scheme)

EARTH NET GREEN NET

Organic Guarantee Systems

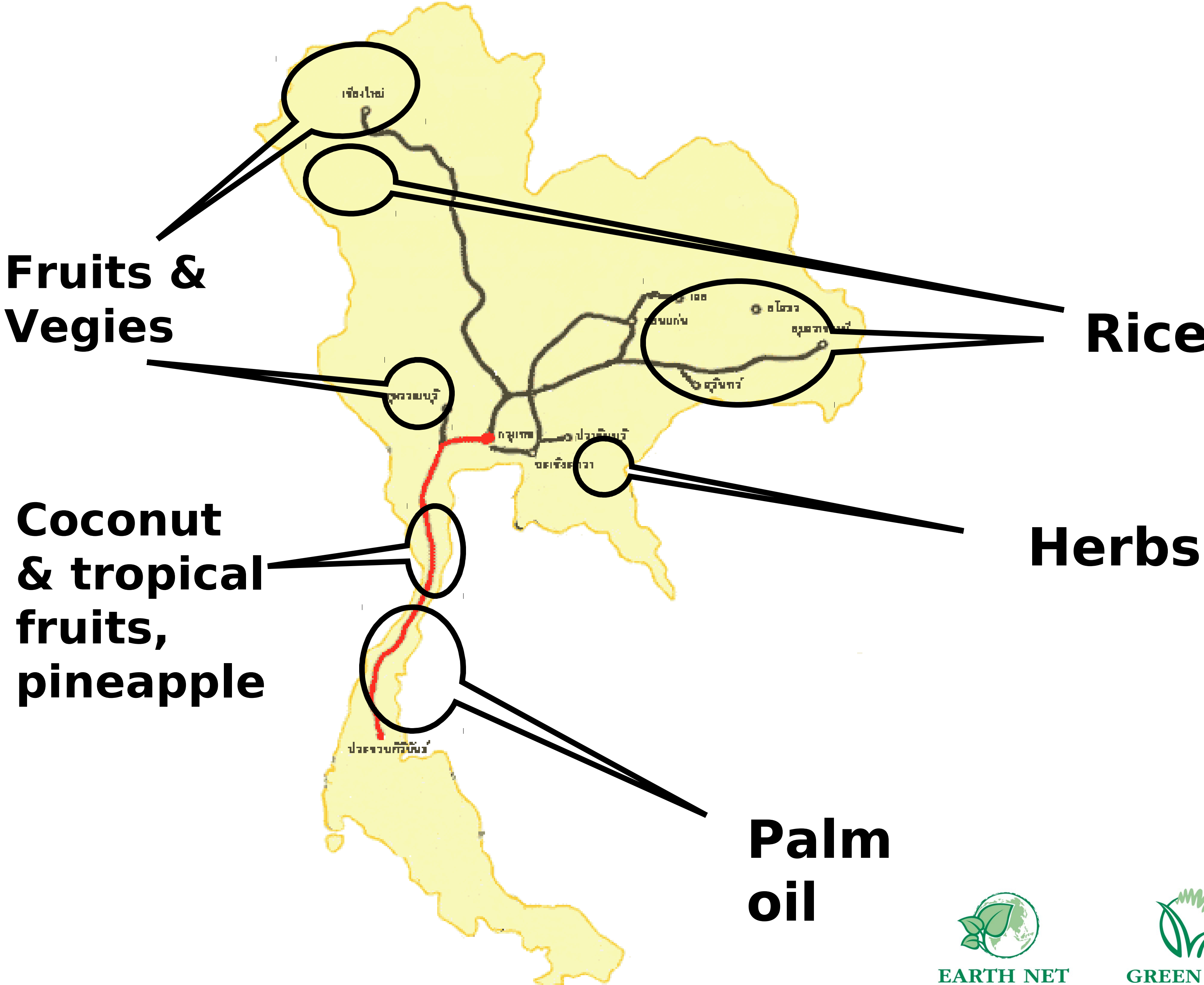
- 4 Departments of MoAC (DoA, DoL, DoF, DoR) certify organic farms, mainly crop productions
- 2 private Thai CBs, one for local and another is national. i.e. ACT
- Several foreign CBs
- In 2010, the cabinet passed a resolution to private all government certification scheme, but so far no sign of implementation time frame

EARTH NET GREEN NET

Certified Organic Produce

Rice	White and brown rice (Hom Mali, Lueang-On, red jasmine)
Beans	Soybeans and peanuts
Processed Food	Noodle, canned fruits
vegetables	Baby corn, asparagus, salads, Chinese vegetables
Fruit	Banana, papaya, pineapple, jackfruit, mango, longan
Herbal teas	Tea, herbal & flower tea
Food ingredients	Dried tom yam seasoning, coconut milk, sugar, tapioca flour, sweetener, palm oil
Wild products	Wild honey
Medicinal	Various products
Aquaculture	Tiger prawns, fish
Body care	Soap, virgin coconut oil

EARTH NET GREEN NET



EARTH NET GREEN NET

Organic Market

- Start since 1990s with export market
- Domestic started around the same time with the raise of health concerns
- Mid 1990s economic recession, domestic market collapsed and hence more export
- By 2000s, domestic market started to regain momentum
- Organic vegetables are the most popular in the market place

EARTH NET GREEN NET

Organic Market

- Domestic markets, mainly through modern trade, e.g. supermarkets and discount store
- Direct market also exists, e.g. box scheme (Bangkok) and farmer market (provincial)
- Majority is exported to EU markets
- Started to export to US
- Exploring Asian and Pacific markets

EARTH NET GREEN NET

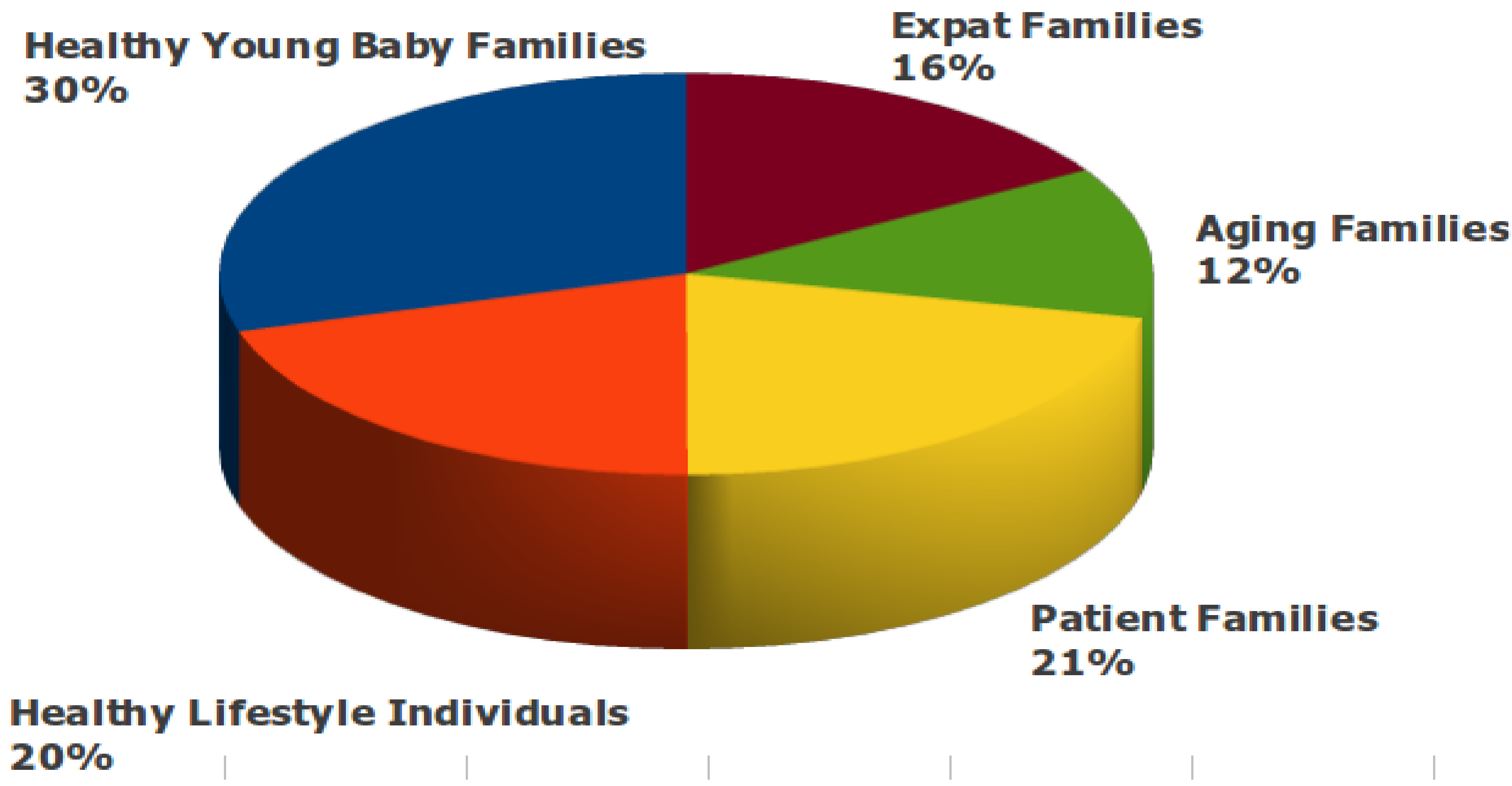
Organic Market 2006

Million THB

	Rice	Field crops	Vegetables	Fruit	other	TOTAL
Domestic	327.38	14.47	97.20	72.21	9.33	520.59
Export	221.60	28.22	175.10	2.52	0.00	427.44
Total	548.98	42.68	272.30	74.73	9.33	948.03

EARTH NET GREEN NET

Thai Organic Consumers



EARTH NET GREEN NET

ผัก ผลไม้ อนามัย

USDA ORGANIC

JAS

bioagricert

ORGANIC FARMING

CANADA ORGANIC • BIOLOGIQUE CANADA

ORGANIC AGRICULTURE CERTIFICATION THAILAND A·C·T

ÖKO-GARANTIE BCS

ORGANIC AGRICULTURE CERTIFICATION THAILAND A·C·T

IFOAM ACCREDITED

EARTH NET

GREEN NET

Confusing Consumers

- 62% knows about organic foods
- 80% of them do buy organic
- 90% because of health and safety reason
- Only 19.3% know what is organic
- Most confusing with safe food e.g. good agriculture practice [Q mark], around half of them thought it was organic label

EARTH NET GREEN NET

Organic Operators

Five types:-

- single farms (family farms)
- Company's farm (large scale)
- Public project (e.g. Royal project, Surin Province)
- Grower group with private companies
- Grower group with NGOs

EARTH NET GREEN NET

Thai Organic : Strengths

- Technical know-how in productions
- Govt. policy supports
- Organic materials for farm inputs
- Price incentive for farmers
- Local certification body with international recognition
- Good post-harvest and processing facilities

EARTH NET GREEN NET

Thai Organic : Weaknesses

- Organic supply chain management
- Competing & duplication public agencies
- Only OA policies exist, but no concrete supports
- Low awareness of local consumers
- Lack of product varieties
- Ageing farmers
- Lack of competent farmer extension system

EARTH NET GREEN NET

Thai Organic : Opportunities

- Raising global demand
- Recognition of OA as contribution to sustainable development, especially climate change
- Agro-chemicals getting more expensive

EARTH NET GREEN NET

Thai Organic : Threats

- Non-harmonized standards and import requirements
- Complicate production management
- Pressure to commercialize GMOs
- Consumers prefer local food (food mile)

EARTH NET GREEN NET