Thailand’s Organic 2011

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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.
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
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
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
Organic Foods For A Better Life
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
Brief History (6)

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       ▪ National Organic Action Plan was approved with over 5 billions THB budget planned for 5 years
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2009  ▪ TOTA started organic incubation programme to increase organic enterprises
       ▪ ACT applied for EU recognition
Certified Organic 20011

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

1998 - 2011

- 50,000.00
- 100,000.00
- 150,000.00
- 200,000.00
- 250,000.00

# Organic Land Use

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

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

Coconut & tropical fruits, pineapple

Palm oil

Rice

Herbs
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
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
## Organic Market 2006

<table>
<thead>
<tr>
<th></th>
<th>Rice (Million THB)</th>
<th>Field crops (Million THB)</th>
<th>Vegetables (Million THB)</th>
<th>Fruit (Million THB)</th>
<th>other (Million THB)</th>
<th>TOTAL (Million THB)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic</strong></td>
<td>327.38</td>
<td>14.47</td>
<td>97.20</td>
<td>72.21</td>
<td>9.33</td>
<td>520.59</td>
</tr>
<tr>
<td><strong>Export</strong></td>
<td>221.60</td>
<td>28.22</td>
<td>175.10</td>
<td>2.52</td>
<td>0.00</td>
<td>427.44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>548.98</td>
<td>42.68</td>
<td>272.30</td>
<td>74.73</td>
<td>9.33</td>
<td>948.03</td>
</tr>
</tbody>
</table>
Thai Organic Consumers

- Healthy Young Baby Families: 30%
- Expat Families: 16%
- Aging Families: 12%
- Patient Families: 21%
- Healthy Lifestyle Individuals: 20%
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
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
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
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
Thai Organic: Opportunities

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

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